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New Measures Announced for Importing Canadian Ruminant Products

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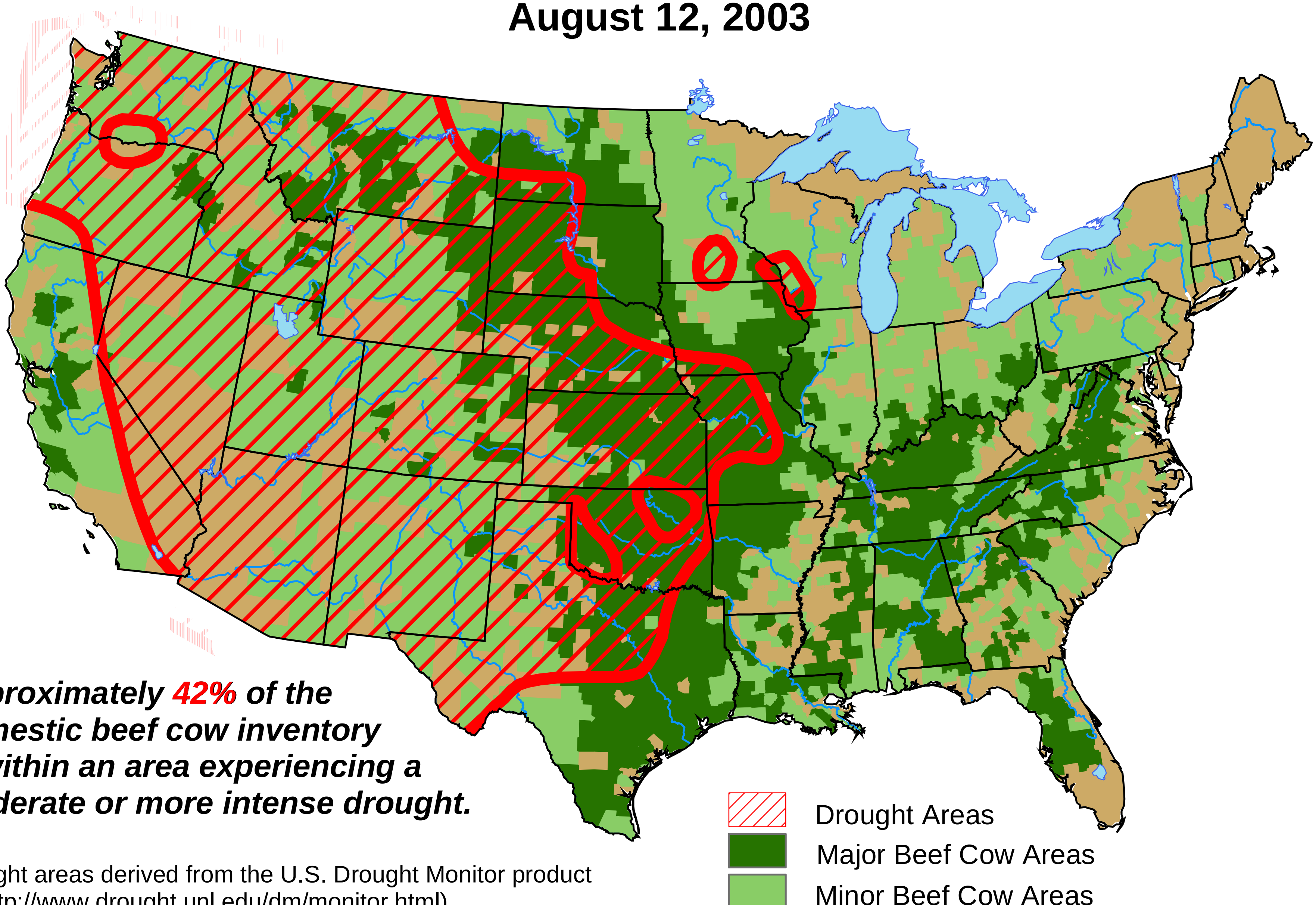
On August 8, USDA announced conditions for resuming imports of certain ruminant-derived products from Canada. Imports of ruminant meat products and live ruminants had been banned since May 20 when a cow in Canada was found to have Bovine Spongiform Encephalopathy (BSE). Forecasts in previous months have included adjustments for the ban up to the publication date of the *World Agricultural and Supply and Demand Estimates*, but assumed normal ruminant trade with Canada in the forecast period. Present forecasts reflect implementation of the new measures announced by the U.S. Department of Agriculture (USDA) that include: the acceptance of import permits for certain products from Canada for boneless sheep or goat meat from animals under 12 months of age; boneless bovine meat from cattle under 30 months of age; and boneless veal from calves that were 36 weeks of age or younger at slaughter. The import ban remains in place for live ruminants for immediate slaughter, and stocker/feeder animals.

Adding further uncertainty to the beef outlook are rapidly deteriorating grazing conditions that have spread from the Western States into most of the Great Plains. Autumn rains for establishing small grain pastures, accumulating grass for fall and winter grazing, and rebuilding hay stocks will be a paramount concern as the industry moves into the calf weaning and cow culling season. Beef, and particularly dairy cow slaughter has remained large this year, and beef cow slaughter has increased with the worsening drought situation (see map).

Small increases in slaughter continue to push 2003 U.S. pork production closer to last year's production mark. Hog producers are expected to receive 14 percent higher prices for their hogs this year, while retail pork price forecasts are 1 percent lower, so packer/processors, wholesalers, and retailers are likely to divide smaller returns this year. U.S. pork exports are expected to increase despite Japan's Safeguard imposition on August 1. The United States is expected to import 6.1 million hogs from Canada, with a somewhat larger proportion expected to be slaughter animals this year, than in 2002.

U.S. Beef Cow Areas Experiencing Drought

August 12, 2003



Approximately 42% of the domestic beef cow inventory is within an area experiencing a moderate or more intense drought.

Drought areas derived from the U.S. Drought Monitor product (http://www.drought.unl.edu/dm/monitor.html)

Beef cow areas derived from USDA 1997 Census of Agriculture data

Cattle/Beef

Supply Uncertainties Drive Cattle Markets

On August 8, USDA announced conditions for resuming beef imports from Canada. Imports of ruminant meat products and livestock had been banned since May 20 when post-mortem lab reports identified a mature cow in Canada had Bovine Spongiform Encephalopathy (BSE). Consequently, domestic beef production forecasts have been adjusted as live cattle shipments from Canada for both immediate slaughter and for placement in U.S. feedlots remain restricted. Prior forecasts have included adjustments for the ban up to the publication date for the *World Agricultural and Supply and Demand Estimates*, but assumed normal beef and cattle trade with Canada into the forecast period after the publication date. Adjustments have been made in the current forecasts to recognize these regulations recently announced. Consequently, imports of boneless beef under 30 months of age are included in the trade estimates, but live cattle for immediate slaughter or stocker/feeder cattle imports for eventual feedlot placement have been removed from the forecasts, and domestic beef production forecasts have been adjusted accordingly. In addition, most cow beef will not be eligible for export due to the 30-month age restriction.

On August 1 feedlots in Alberta and Saskatchewan, Canada were operating at about 66 percent of capacity. Most cattle in Canada, as well as the U.S. are on feed about 150 days. Consequently, although cattle presently on feed will be slaughtered with some of the meat exported to the U.S. under the new permits, it will be 4 to 5 months, typical days on feed, before the Canadian industry can shift toward fed cattle marketings nearer capacity. Cattle on feed on August 1 in U.S. feedlots with over 1,000 head of capacity were down 5 percent from a year earlier and slaughter weights remain sharply lower than a year earlier. Although both markets are starting from a supply situation that is tighter than normal, they will be faced with different adjustment paths. Canada will have to adjust to a much larger slaughter schedule as cattle, which were normally exported to the U.S., are slaughtered domestically. On the other hand, U.S. packers will have to compete for a tight supply of fed cattle that could remain on feed for additional feeding time to improve quality.

Grain/Forage Supplies Tighten

Although corn production is forecast at record levels, the crop was reduced from the July estimate as conditions deteriorated west of the Mississippi River. Similarly, total feed grain production was reduced 3 percent from the July forecast, but remains a large crop. The projected price range for corn was increased 10 cents from last month to $2.00 to $2.40 a bushel, down from $2.30 in 2002/03, but well above 2001's $1.97 average.

Grazing conditions deteriorated rapidly during July and early August with the drought spreading from the West into most of the Great Plains. Rebuilding hay stocks will again be important to maintaining even the reduced cattle inventory. Autumn rains and establishing small grain pastures and accumulating grass for fall and winter grazing will be paramount as the industry moves into calf weaning and cow culling season. Beef and particularly dairy cow slaughter has remained large this year, and beef cow slaughter has increased with the worsening drought situation.

Total hay production is expected to rise sharply this year. Alfalfa production is forecast to rise 6 percent. Production of other hay is also forecast to rise 6 percent as yields are expected to reach record levels, although excess moisture conditions in many areas may have resulted in poor harvesting conditions and hay quality. In July the farm price of alfalfa averaged $92.70 a ton, down seasonally from $98.90 in June, well below last year's $102 average. Conversely, the farm price of other hay averaged $77.80 in July, down only marginally from June, but up $5.60 a ton from a year earlier. While producers are likely building stocks, poorer feeding quality of this large harvest likely increased demand for the better hay, resulting in a portion of the price increase.

Cattle Cycle Continues To Lengthen

Cattle inventories continue to decline in 2003 as drought and increasing market uncertainties make producers reluctant to begin expansion. The rate of decline has moderated with most inventory categories unchanged to down less than 1 percent. The total cow inventory was reduced only marginally with beef cows down only 150,000 head, but was the 8th year of decline. The number of beef replacement heifers is unchanged from the low levels of the past 2 years, and down over a million head from the mid-1990s. The number of replacement heifers calving and entering the herd during the first half of the year rose but not enough to offset the continued large cow slaughter. This year's calf crop is expected to be 38 million head, down less than 1 percent from last year and the smallest calf crop since 1951. Continued large cow slaughter and low heifer retention insure declining beginning cattle inventories in 2004 and 2005. The ban on cattle imports from Canada will also hold down feeder cattle numbers.

Feeder Cattle Supplies Continue Decline

Supplies of stocker/feeder cattle outside of feedlots and available for eventual feedlot placement continue a slow modest decline along with the cattle inventory. Very modest heifer retention continues to support larger numbers of heifers being placed on feed, although the number of heifers on feed is down. A continued ban on imports of feeder cattle from Canada will also hold down feeder cattle supplies. However, in the fall and winter larger numbers of U.S. feeder cattle are usually exported to Canada. With large numbers of Canadian cattle on feed, until the ban is lifted fewer U. S. feeder cattle are likely to be exported to Canada. Demand for feeder cattle in the United States is expected to be strong. This will add to fall and winter supplies of feeder cattle.

Fed Cattle Supplies Remain Tight

Canadian cattle slaughtered in the United States have been removed from the second-half 2003 and 2004 forecasts of domestic slaughter and production. Both industries will be undergoing adjustments at least through mid-winter, which is about the earliest the Canadian industry can adjust to feeding and slaughtering the cattle, which up until May 20 entered the United States as feeder cattle eventually to be slaughtered in U. S. plants. Cattle on feed inventories on August 1 were down 5 percent from a year earlier as July placements remained large, but marketings rose even more. Fed cattle continue to be marketed ahead of schedule and at lighter weights to fill the beef void due to the ban on Canadian beef and cattle imports.

The ban on live cattle imports from Canada also will result in changes in feedlot/slaughter relationships. Over the past 3 years marketings from feedlots with over 1,000 head of capacity represented 80.2 to 80.8 percent of commercial steer and heifer slaughter. Typically the first quarter represented the largest proportion and the fourth quarter the lowest proportion of steer and heifer slaughter. The remaining cattle were from smaller feedlots and Canadian slaughter cattle for immediate slaughter. The Canadian cattle comprised a little more than 1 percent of the slaughter mix. Consequently, marketings from the 1,000 plus head feedlots are expected to represent about 81.5 to 82 percent of steer and heifer slaughter.

Fed cattle marketings and slaughter rates are expected to remain strong through September, but the rate will slow as Canadian beef comes into the market again and U.S. cattle pick up more days on feed to compete in the higher quality domestic and export beef market. A return toward the longer term record weight trend is unlikely until next winter when the U.S./Canada beef production systems come more into alignment with changed domestic and trade alignments. U.S. slaughter weights will rise, but it will likely be winter before the industries come into balance and more normal feeding periods. Even then, cattle inventories in both countries are lower than a year earlier and are likely to continue declining until at least January 2006.

Cow slaughter remains strong with the extension of the drought area into the heart of the beef cow population in the Great Plains since early summer is not likely to slow until grazing conditions improve seasonally this fall. Cow slaughter has remained large even with the ban on imports of Canadian cows for slaughter. Consequently, domestic cow slaughter has been even larger than comparisons with previous data which included Canadian cow imports for slaughter would suggest.

Tight Supplies Result in Record Retail and Near-Record Cattle Prices

Prices of Choice beef at retail have been on a record-setting pace since February. Prices averaged a record $3.64 a pound in the second quarter, up from $3.32 a year earlier and the previous second-quarter record of $3.45 set in 2001, another year with weather-reduced supplies. This year, prices were already on a record pace due to poor winter weather conditions and sharply lower slaughter weights. The ban on Canadian imports on May 20 made a tight supply situation even tighter. Retail prices averaged $3.65 a pound in July, continuing the record-setting pace. Slaughter weights have been increasing, but at less than a seasonal rate as marketings continue to be pulled forward. Even as Canadian beef returns to the market, lower U.S. cattle inventories mean per capita supplies are expected to remain well below year-earlier levels this fall and likely for the next couple of years.

Similarly, fed cattle prices have been on a record-setting pace for the past 2 months and are likely to approach the old August 1990 record of $77.18 per hundredweight (cwt). Tight supplies are likely to keep prices in the $77-$78 averages this fall and winter. Improved weather and forage conditions could result in heifer retention and further tightness in 2004 fed beef supplies. Prices next spring through fall are likely to average in the low $80s, particularly if the economic recovery continues and international demand for high quality beef remains strong.

Yearling feeder steer prices are likely to remain strong, particularly with moderate grain prices and tight fed cattle supplies. Prices are likely to remain in the upper $80s per cwt, touching on $90 per cwt at times. Utility cow prices remain strong as supplies of Canadian cow/processing beef remains banned from the U.S. market. Prices are averaging near $50 per cwt this summer, up from $37.69 a year ago. Prices are likely to remain near $50 over the next year, and prices could rise even more if the United States and world cattle sectors shift toward female retention and herd expansion. Fed beef supplies will remain tight due to reduced cattle inventories, and processed beef supplies could get equally tight. At the present time supplies of 50-percent lean processing beef are in very tight supply due to the light slaughter weights and reduced fat trim. Imported 90-percent lean beef remains at a strong discount to the domestic product.

Beef Trade

BSE in Canada and Japanese Safeguard Tariffs Distort U.S. Beef and Cattle Trade

The most important influence on U.S. beef and cattle markets this year is likely to be the May 20th report of an 8-year-old beef cow in Alberta, Canada that tested positive for bovine spongiform enchephalopathy (BSE). Imports of cattle and beef were promptly banned by all of Canada's major markets, including the United States. On August 8, Agriculture Secretary Veneman announced the procedures for resuming shipment from Canada of deboned beef from cattle certified to be less than 30 months old, and the initiation of a protocol toward resuming shipments of live animals. Permitted beef should begin moving shortly, but live animal movement is expected to take longer because of the rule-making process through the International Office of Epiziotics. Mexico followed suit with a similar announcement.

U.S. and Canadian Industries Seriously Impacted

The ban seriously affected Canada's cattle industry, which normally exports a number of animals roughly equivalent to about 25 percent of its calf crop and more than 50 percent of its beef production. Of those cattle exported, in a normal year, nearly all are exported to the United States, with about 80-85 percent destined for immediate slaughter and most of the rest being feeder calves and dairy animals. The United States is also Canada's major market for both processed and fed beef, accounting for 75-80 percent of Canada's beef exports in a normal year. Mexico has been a growing market for Canadian beef in recent years, accounting for 10-15 percent of Canada's beef exports, with the remainder going to Asia. Canada normally exports about 90 million pounds of beef per month to the United States and about 30 million pounds to other countries.

Beef and cattle prices in the United States increased dramatically upon announcement of the ban because Canadian beef imports normally account for nearly 4 percent of U.S. beef consumption and Canadian cattle account for 3-5 percent of all cattle slaughtered in the United States.

Second and Third Quarter Exports Revised Upward

Second quarter exports equaled 678 million pounds, with exports to Canada stronger than expected. They have remained at or above historical levels of about 4 million pounds per week for several weeks after the ban was announced.

U.S. beef exports to Mexico increased rather sharply in May. The timing suggests that factors other than the ban played a role in those increased exports. Two clear factors are: 1) the recent 8-10 percent appreciation of the Mexican peso against the dollar that began in March; and 2) increased tourism, which had been lethargic most of last year. Mexico normally accounts for about 15 million pounds of monthly Canadian beef exports. While the United States may have picked up some of what Canada would have otherwise supplied to Mexico for the one and one-third months of the second quarter included in the ban, most of the revision may reflect additional demand by Mexico.

Finally, exports to Japan were also above expectations in May, suggesting increased strength in that market. Japanese importers may have minimized exposure to higher tariffs on fresh/chilled beef that took effect August 1st by shifting imports into late May, June, and July. The tariff on fresh/chilled beef increased from 38.5 percent to 50 percent on August 1st as a result of the Japanese safeguard system. Fresh/chilled beef accounts for about one-half of Japanese beef imports and nearly half of those imports are supplied by the United States.

U.S. exports for the third quarter are revised upward from last month by 15 million pounds, to 645 million pounds. This is less of an upward revision than for the second quarter because, firstly, increased demand in Mexico is being tempered by higher U.S. prices. Secondly, increased imports by Japan in July are unlikely to persist after the August 1 increased tariff on fresh/chilled beef. It is also difficult to determine how much the ban on Canadian beef exports may have benefited U.S. beef exports to Japan, but Canada would typically only supply about 5 million pounds monthly to Japan, so the effect was likely small.

U.S. Imports Revised Downward Partly as a Result of the Ban

U.S. beef imports for the second quarter have been revised downward from last month by 40 million pounds. Previous downward revisions of 120 million pounds accounted for the loss of Canadian imports for the one-and-one-third months of the second quarter covered by the ban. The current 40-million-pound revision for the second quarter represents weaker-than-expected imports from Australia and New Zealand. Weaker imports from these countries are mainly a result of cyclically high U.S. cow slaughter in the first and second quarters reducing demand for imported processing beef, and dairy cow slaughter was especially high.

Import forecasts for the third quarter now reflect the trade with Canada and some ability of Canada to supply the permitted product that was stockpiled in Canada under the ban. Imports for 2003 are now expected to be down 8-9 percent from last year.

Effects of Resumed Trade To Be Complex

Under the terms of the August 8th announcement, no Canadian cattle are allowed into the United States until a protocol is worked out for their movement. However, beef from these animals and any others may be imported provided that it is certified that the slaughtered animal is under 30 months of age and has been deboned under acceptable procedures. A switch over time to such beef that has been deboned using acceptable methods could allow increasing amounts of Canadian beef entry into the U.S. market. The current revisions in beef trade for the fourth quarter 2003 and beyond reflect these assumptions. Cattle trade revisions also reflect the conditions of the ban, but also include some lower exports to Mexico.

Dairy

Cheese Prices Hanging On

Wholesale cheese prices continued to rise through July, ending the month more than 45 cents per pound above those of early June. Early August prices have mostly held steady. Thus far, tightness in cheese markets has been able to withstand a very large gap between values of milk used in cheese and that used for butter and nonfat dry milk. Even so, heavy supplies of butter and nonfat dry milk likely will remain a major threat to cheese prices.

Cheese production was fairly weak through June, although price increases may have it in July. The large premiums that could be paid for cheese milk should have caused some shifting of milk supplies and use of nonfat dry milk to produce cheese. However, any increases in cheese output probably were small. Supplies of milk for manufacturing likely stayed tight relative to the preceding 18 months. Also, contractual obligations for butter reportedly inhibited butter-powder operations from releasing milk to cheese production.

Buyers have become much more aggressive in seeking current cheese and second-half supply commitments. However, it is not yet clear whether these actions imply more than just a typical precautionary response to rising prices. The size and duration of price increases, supported by recent production data and signs of demand recovery, suggest some market tightness in coming months. But, the expected ample supplies of butter and nonfat dry milk may re-emerge as major factors in cheese prices, once cheese pipelines are rebuilt. This view is supported by the relatively modest response of butter prices to the sharp increases in cheese prices. Butter prices were up only about 7 cents from early June.

Cheese prices are projected to hit an early seasonal peak as the pressure from ample supplies of butter and powder is more fully felt in cheese markets. Even so, farm milk prices during the second half of 2003 should average higher than a year earlier because of the recent increases in cheese prices. For all of 2003, the milk price is expected to average near the 2002 price.

Sheep

Declines Faster Than Expected for Breeding Sheep Inventory

The U.S. sheep inventory is declining faster than expected. On July 1, 2003, the U.S. sheep and lamb inventory totaled 7.8 million head, 4 percent below a year earlier. This compares with a 2-percent decline in each of the two previous years. Drought conditions in the Western United States continue to result in greater than normal culling of breeding ewes. The July 1, 2003, breeding sheep inventory dropped 4 percent from 2002. This compared with a 2-percent decline in 2002 and a 3-percent decline in 2001. Replacement lambs have declined 2 percent for 2003 (replacement lambs declined 4 percent in 2002), and their share of the total breeding inventory has remained at 13 percent.

Declining lamb and mutton production shows no sign of slowing. First-half lamb and mutton production was down nearly 12 percent from a year ago while choice slaughter lamb prices at the San Angelo, Texas market averaged $27 per cwt above the same period a year earlier. Short supplies have kept strong slaughter lamb prices throughout the first half and prices are expected to remain fairly strong for the second half of the year. However, prices are expected to fall slightly with the customary seasonal decline in demand during the third quarter.

Imports of lamb and mutton continue to be strong, although the first half imports are less than the same period last year. Lamb imports for the first half reached 84 million pounds, down nearly 9 percent from the same period a year earlier. First-quarter 2003 imports totaled 40 million pounds, down 17 percent from a year earlier and second-quarter imports totaled 44 million pounds, the same as a year earlier. Drought conditions in Australia, a primary U.S. supplier, may result in continued tight total supply for the United States. Imports in 2003 are expected to account for about 46 percent of U.S. consumption, up from 31 percent in 1998.

Poultry

Broiler Production Down 0.4 Percent

Broiler production during the first half of 2003 was about 16 billion pounds, down less than 1 percent from the same period in 2002. Production during the second quarter of 2003 was down only slightly from the previous year. The decrease in broiler meat production has been the result of a lower number of birds going to slaughter. Over the first half of 2003, the number of broilers slaughtered was 4.2 billion, down 1.9 percent from the same period a year earlier. The decline in the number of birds being slaughtered has been partially countered by increasing weights. Average broiler weight at slaughter in the first half of 2003 has been 5.19 pounds, up 1.6 percent from the previous year. Broiler meat production during the second half of 2003 is expected to be slightly higher than during the same period in 2002, as broiler companies respond to the gradual strengthening in most broiler prices. The weekly numbers of chicks being placed for growout are beginning to approach year-earlier levels, and average weights continue to be 1-to-2 percent higher than the previous year.

Broiler Exports Down, Forecast Uncertain

Over the first 6 months of 2003, broiler exports have been 2.37 billion pounds, down less than 1 percent from the same period in 2002. The chief reasons for the lower shipments were lower exports to Russia, Hong Kong/China, and Mexico.

Exports to Russia were 675 million pounds in the first half of 2003, 13 percent lower than the previous year. Much of the decline has come from the enactment of a quota on imports of poultry products and earlier uncertainties about the structure of the quota and how it would be allocated. Falling exports to Hong Kong/China have reflected the SARS outbreak and its impacts on the Hong Kong economy. Poultry shipments to Mexico have been depressed (down 15 percent) as the Mexican economy has slowed and discussions on placing a tariff-rate quota on imports of U.S. frozen leg quarters have created uncertainties.

The U.S. broiler export outlook over the second half of 2003 continues to have a number of problems. Although the Russian quota for U.S. poultry imports seem set through the remainder of 2003, there are still a number of questions about its composition for 2004. In Hong Kong, the chief questions are whether there will be any long-term economic effects from the SARS outbreak and whether imports will return to levels seen in the past. With the conclusion of bilateral discussion with Mexico about imports of U.S. leg quarters, exports are expected to strengthen to levels closer to those seen in past years. While the gradual strengthening of prices for export-oriented products as leg quarters and wings seems to indicate a growing export demand, the current situation differs from previous export-market driven price increases due to falling U.S. broiler production in the first half of 2003.

Turkey Production Flat in First-Half 2003

Turkey production over the first 6 months of 2003 was 2.8 billion pounds, only fractionally lower than during the same period in 2002. The decrease in production is due to the same set of factors as the decrease in the broiler industry. The total number of turkeys going to slaughter in the first half of 2003 was down about 1 percent, but was mostly offset by a 0.7-percent increase in the average liveweight of turkeys (27.4 pounds) during this period. The forecast for the second half of 2003 is for a slight decline in production compared with the previous year. The number of poults placed for growout during the first 7 months of 2003 has totaled 174.8 million, down 1.6 percent from the same period in 2002. In addition, lower prices for whole birds and many turkey parts, along with large stocks in cold storage, has dampened any enthusiasm for increases in production.

Turkey Exports Fall by 9 Percent

Over the first 6 months of 2003, U.S. turkey exports totaled 216 million pounds, down 9 percent compared with the previous year. The quota on poultry imports into Russia has pushed exports to that market down by 60 percent compared with the previous year. Export shipments have also fallen heavily to Mexico and Hong Kong. The decline in shipments to these major markets has been partially offset by higher demand in Taiwan and Canada. Also exports to South Africa have strengthened significantly, with imports during the first half of 2003, at 6.8 million pounds, already higher than shipments for all of 2001 or 2002.

Hogs/Pork

Expected Pork Production in 2003 About Even With Last Year

The U.S. pork industry finished the second quarter with a hog slaughter of 23.9 million head, slightly ahead of earlier expectations. Higher slaughter occurred in June, with producers likely marketing hogs aggressively to take advantage of seasonally high hog prices. Larger imports of Canadian slaughter hogs in June are also another likely factor contributing to larger than expected slaughter numbers. The same dynamic--larger-than-expected--slaughter-spilled over into July, causing third-quarter slaughter expectations to increase to 24.5 million head. If expectations are realized, about 1 percent fewer animals will be slaughtered this year, but about the same quantity of pork as last year will be produced--19.6 billion pounds--due to dressed weights of slightly more than 1 pound greater than last year.

Wholesale pork prices, as measured by the Composite Cutout, declined seasonally in July and into August, effectively limiting what processors can bid for hogs. After trading at levels 26 percent above year-earlier levels in June, the July cutout averaged just 10 percent over July 2002, and continued to decline into August. Of the primal cuts that comprise the cutout--loins, butts, picnics, ribs, hams, and bellies-only picnics, hams, and bellies continue to trade at or above year-earlier levels. Loins showed particular weakness moving into the third quarter, as expectations for greater demand due to BSE related factors were not realized, together with the Japanese Safeguard, imposed August 1, likely limited expected near-term export demand for higher valued cuts.

Third-quarter hog prices—National Base Cost, 51-52 percent lean, live equivalent—are expected to range between $41 and $43 per cwt, in the third quarter, for an annual average of $39-$40, almost 14 percent above last year's average. In the first three-quarters of 2003, retail pork prices will likely average in the low $2.60s per pound, or, almost 2 percent less than in the same period last year. Consumers are thus paying less, for a slightly smaller supply of pork, while producers are receiving about 14 percent more for a slightly smaller supply of hogs. Packers/processors, wholesalers, and retailers are thus sharing smaller spread, so far this year.

U.S. Exports Expected To Exceed 2002 Levels, Despite 25 Percent Increase in Japanese Gate Price

Through the first 6 months of 2003, U.S. pork exports continue to run ahead of the same period last year. The United States exported 851 million pounds through June, more than 5 percent greater than a year ago. On a cumulative basis for the first 6 months of 2003, percent changes in the same period year-over-year exports for Japan, Mexico, and Canada were +9 percent, -9 percent, and -17 percent. Together, these three countries accounted for 79 percent of U.S. pork exports, down from 83 percent for the same period in 2002. Smaller Asian markets, the European Union, and the "Other" category of countries importing U.S. pork, together helped to push U.S. exports beyond year-earlier levels. Total U.S. exports for 2003 are expected to be roughly 1.7 billion pounds, 3.5 percent more than for 2002.

At the end of July, the Government of Japan reported that pork imports in the first quarter of its April-March fiscal year exceeded the trigger level, i.e., 119 percent of the average quantity of imports during the corresponding periods in the three preceding years. When this happens, the Government of Japan imposes a Safeguard, which effectively increases its Gate Price (a minimum import price for all imported pork) by 25 percent. Given the higher minimum import price, Japan will likely import somewhat less U.S. pork, August 1, 2003 through March 31, 2004, than it would have in the absence of the Safeguard.

More Slaughter Hogs Head South, As Some Canadian Packers Struggle

Through the first 7 months of 2003, USDA/APHIS reported that the United States imported almost 3.8 million Canadian hogs, 12 percent more than in the same period last year. In a departure from recent history, the proportion of imported Canadian hogs accounted for by feeder animals dipped in July from the low-70-percent ranges that had characterized Canadian hog imports in earlier months of 2003, to 65 percent. Several sources report that Springhill Farms, a slaughter facility in Manitoba has significantly slowed its kill-rate due to adverse economic conditions, thus creating an excess supply of more than 17,000 slaughter hogs per week. The jump in U.S. slaughter hog imports beginning in June, suggests that at least a portion of the hogs that would otherwise be destined to Springhill Farms are coming south to the United States. Smaller packers in Ontario have also reportedly trimmed their weekly slaughter. In total, the United States is expected to import 6.1 million hogs from Canada this year, a somewhat larger proportion of which are expected to be slaughter animals, than in 2002.

Meat Goats: A Growing Industry

By Keithly Jones

The U.S. goat industry is expanding as producers respond to niche demand for goat meat using resources that are often marginal for other enterprises. The goat industry is a classic case of a multi-output industry; goats are raised for meat, milk and milk products, mohair, and cashmere. Emphasis in recent years has shifted from mohair production in the Southern Plains to meat and milk production with a broader geographical base.

Meat goat production has historically been located in the West and Southern Plains. However, several Southern and Eastern States have seen increased inventories and numbers of goat enterprises (Pinkerton, Scarfe and Pinkerton, 1991). The ability of goats to thrive in arid environments and on marginal lands where they are more efficient in converting forage to energy than other competing animals contributes, to a large extent, to the heavy proportion of goats in the Western United States.

Chevon, or goat meat, (taken from the French word for goat, chevre) is said to have an excellent flavor, similar to beef and venison (Miller 1998). It has less fat than chicken or any of the red meats commonly consumed in the United States. Increased demand for chevon presumably is largely due to the increase in ethnic populations from goat-meat consuming countries of the Middle East, Africa, Latin America, and the Caribbean (Pinkerton, 1995). According to recent census data, the ethnic population from goat-consuming countries is still increasing. The problem though, is that farm level and wholesale and retail goat meat price information is often lacking. As a result, very little is known about goat production decisions or a consumer's goat-meat buying decisions.

Agricultural product markets are generally marked by a "common language" among producers, marketers, and endusers that assists the transition of raw products to intermediate or final consumer products. According to Pinkerton, et al. (1991), meat goats and goat meat marketing are unrecognized standards and erratic prices over time and place as to the price and availability. A major constraint is the lack of standards for relating live goat prices to slaughter value (VDACS, 2000).

The U.S. Department of Agriculture (USDA) has established well-defined and widely used grade standards for cattle, hogs, and sheep but not for goats. Uniform standards that accurately describe live slaughter goats and correlate this description to predictable type of carcass yield would help in the expansion of the market. However, since the goat meat market is so small, such quality standards have not been developed or implemented. The Wholesome Meat Act of 1967 regulates the slaughter and inspection of meat. The inspection and grading of meat and poultry are two separate programs within the USDA. Inspection for wholesomeness is mandatory while grading for quality is voluntary, and the service is requested and paid for by meat and poultry producers/processors (FSIS 2002).

Federally inspected slaughter data for goats show an increasing trend (table 1). In 1980, less than 100,000 head of goats were slaughtered under Federal inspection, but by 2002, the number reached over 500,000 head with a meat production of just about 12 million pounds. The average dressed weight for a meat goat is about 23 pounds (Alford et al., 1998). Federal inspected slaughter for most major livestock species ranges from 95 to 98 percent of commercial slaughter. The proportion of goats slaughtered under Federal inspection is unknown, but thought to be significantly less than for the major species.

Gibson (1999) noted that, goats, more so than any other livestock species, also pass through non-federally inspected slaughter channels such as State-inspected slaughter facilities and on-farm slaughter. However, data on these other slaughter channels are unavailable or nonexistent. Therefore, knowing exactly how many goats are slaughtered annually in the United States is not possible.

Pinkerton (1995) reports that in 1991, the last year before Federal privacy laws effectively closed public access to such data, a kill of approximately 140,000--or 67 percent of the total U.S. goat slaughter of 207,893 head was reported. Assuming this ratio still holds true, then in 2002, over 150, 000 head of goat were not slaughtered at federally inspected plants. However, even with these significant increases in domestic slaughter, the United States remains a net importer of goat meat.

The growing potential of the goat meat market is further evidenced by dramatic increases in goat meat imports over the past decade (table 2). U.S. Department of Commerce statistics indicate that the United States imported 25.2 million pounds of goat meat in 2002 with a total value of $14.2 million. Between 1989 and 2002, goat meat import quantities increased by 492 percent and the value increased by 787 percent, implying a near-doubling of goat meat import unit value over the period. At the same time, U.S. production of sheep and lamb, a very close substitute for goats, has declined. In 2002, commercial production of lamb and mutton totaled 219 million pounds, down nearly 5 percent from 2000. Moreover, production of lamb and mutton in the United States has been in a downward trend since World War II. Despite the falling domestic production, imports have risen in recent years to keep U.S. per capita lamb consumption around 1 pound. Goat meat is traditionally consumed by many of the same ethnic and religious groups as is lamb and mutton.

Australia and New Zealand are major suppliers to, and compete for, the U.S. goat meat market. More than 93 percent of U.S. goat meat imports come from Australia with most of the remainder coming from New Zealand (table 2). Goat meat imports from Canada is negligible. The last significant goat meat import from Canada was in 1995 when 31,000 pounds were imported at a value of $22,000. As a ruminant, imports of goat meat from Canada will now be subject to the BSE-induced restrictions where only boneless meat from animals less than 12 months old can be imported. According to the New Zealand Goat Council chairman, Allen Billington, New Zealand goat meat exports are expected to continue to rise (MeatNews.com, 2002). Aided by favorable exchange rates, New Zealand goat meat exports were worth $7.9 million in 2001. Almost half of New Zealand's goat meat exports go to the United States, a reflection of the growing affluence of ethnic groups in the United States and their preference for higher quality graded goat meat. New Zealand's domestic goat meat market is expanding as well.

U.S. imports of live goats from Canada, though sporadic, have also shown a recent up-tick. On average, live imports take place for around 6 months of each year. The most frequent import months for live goats are October, November, and December. Live goat imports have increased since 1989 with nearly 12,000 live goats imported in 2002 at a value of $786,423 (table 3). The first quarter of 2003 has seen live goat imports of nearly 5,000 head, just about half of last year's entire live goat imports. BSE restrictions have resulted in a banning of live imports subject to new rules.

Changing U.S. farm policies may have contributed to the growth in the goat meat market. Supply shocks are often triggered by changes in farm policy programs. The phase-out and subsequent elimination of the Wool and Mohair Act, announced in late 1993, encouraged some fiber goat producers to shift to meat goats and possibly increased feeding and better conditioning of surplus Angora goats prior to sale so as to increase the acceptability in the slaughter trade and thus influence aggregate supply (Pinkerton et al. 1994). The largest single yearly increase in federally inspected goat slaughter occurred in 1993, which was the first year of the 3-year phase-out of the Wool and Mohair Incentive program (Gibson, 1999). With the loss of the incentive program, Texas mohair producers, in particular, sent marginally productive Angoras to market for meat. The Farm Security and Rural Investment Act of 2002 re-instituted Federal support for wool and mohair, but it is a slightly different program from the 1954 wool program.

Goat prices and value have been difficult to measure. Prices play a central role in determining farm-level production and consumer demands, but they are not the only factors governing these decisions. Retail prices, the prices seen by consumers, are a function of retail-level supply and demand conditions. For most animal products, an intricate set of marketing activities takes place from the time the live animal leaves the farm to the time it enters the hands of its final consumer. The extent to which these marketing activities are carried out will both facilitate movement of the product and influence the difference between the farm price and the retail price.

While it is possible to glean a wholesale price for imported goat meat via unit import values, such a procedure may not be a fair representation of the domestic price patterns. An example of the potential of the market comes from North Carolina where, according to statistics for 2000, over 180,000 goats were sold for meat, representing receipts of over $7.5 million (Luginbuhl, 2000). This implies a price of about $42 per market animal. This is consistent with the price received for meat goats in enterprise budgets throughout the South. It is estimated that the North Carolina meat goat breeding stock inventory totaled 122,000 animals on 3,000 farms, or an average of 39 goats per farm. Based on this size farm, enterprise budgets for raising goats still show negative net returns to management. Estimated cost and returns per head for a 50-head meat goat operation can be found at http://cherokee.agecon.clemson.edu/goat.pdf. Meat goat farmers will have to increase herd-size to receive the necessary economies of scale that can propel them into positive net returns.

Interest in goat meat research in the United States is a relatively recent phenomenon. Producers in Texas formed the American Meat Goat Association in January 1992 and several universities pursue special research topics on goats. The University of Minnesota has developed enterprise budgets for meat goats (Lillywhite, 2001) and the University of Florida has produced research on market opportunities for goat meat (Johnson, 1989). Johnson discussed factors that contribute to an increased demand for goat meat and led to new marketing opportunities for the small farmer/rancher in the Southeast. These factors included the influx of ethnic groups that commonly consume goat meat, the increasing consumption of "ethnic" foods as consumers seek to broaden culinary experiences, and the growing awareness of, and search for, meats with lower fat.

The State University of New York, in cooperation with Los Sures, a community organization, analyzed the possibilities for selling goat meat in restaurants in the Williamsburg section of Brooklyn (Pickerton, 1995). Williamsburg is a multi-ethnic community with low-to moderate-income residents. The report indicates that demand for goat meat in New York City seems relatively inelastic; however, recent economic downturns have encouraged some shifting among domestically produced goat, lamb, and sheep meat to cheaper, imported goat meat. New York goat producers may be at a disadvantage with Texas and Southeastern producers where the weather is more amenable to extensive goat production, the grazing season is considerably longer, less supplemental feed is necessary, and housing is both simpler and cheaper. Seemingly, New York producers cannot profitably produce goats of only average quality in sufficient quantity to successfully compete with Texas and other Southern areas because the transportation differential amounts to only about $6-$8/head, depending on load capacity and animal size. Other work on goat meat demand and acceptance has been done by North Carolina State University's Cooperative Extension Service (Harwell and Pinkerton 1998, and Miller 1998).

As indicated earlier, the goat industry is a classic multi-output industry. Tables 4 and 5 show production of milk and mohair, respectively. Goat milk is used for cheese and other dairy products, and surplus and cull dairy goats are used in the meat goat industry. Mohair and cashmere are also produced from Angora goats, most of which are located in southwest Texas. Decisions to raise goats may depend on the expected value received for all the products--meat, milk, or cheese, and mohair or cashmere.

Despite growth in the goat meat industry, there are challenges faced with improving and managing flocks and enhancing its marketability. Problems with disease and predators in goats are much like those of sheep, affecting production cost and farm profitability. Scrapie is present in both sheep and goats but its incidence in goats is very low and sampling of goats at slaughter is not considered cost effective at this time (Sutton). Several other diseases (e.g., diseases that affect reproduction and respiratory ailments) affect the goat industry and, without proper management, they can reduce the productive capacity of the herd. Predation occurs at much the same rate in both sheep and goats. In the West and Southern Plains, coyotes, bobcats, and eagles are often the problem, but in the Southeast it is more likely to be neighborhood dogs (Harwell and Pinkerton).

Goat enterprises can be important sources of income for farm families and local and State businesses associated with producing and marketing their products, especially for niche markets. An added advantage is that the animals can be raised on marginal farmland. As the industry continues to grow and the markets become more developed, grades and standards and price information will become more important in helping producers and consumers make informed production decisions and buying choices.

Because market outlook for goats is a relatively new topic, more research is needed to better understand and define a growing market for goat meat that encompasses both a traditional and non-traditional clientele. A link at http://www.mgo.umn.edu/livestock/Meat%20Goats.htm provides a partial listing of sources for goat meat research. Southeastern collaborators on meat goat research include the University of North Carolina, Virginia State University, Virginia Polytechnic Institute and State University, Fort Valley State College, Langston University, Florida A&M University, and the USDA-ARS Appalachian Farming Systems Research Center. At Cornell University, the Northeast Sheep and Goat Marketing Program covers 11 States and provides information about the marketing and raising of goats for meat.

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Table 1--Federally inspected slaughter of sheep and goats, selected years, 1980 to 2002

Year	Goats	Sheep
	1,000 head	
1980	97.3	5,363.0
1985	124.5	5,976.3
1990	229.6	5,476.9
1995	326.1	4,387.9
2000	533.9	3,308.0
2002	511.0	3,092.3

Source: Food Safety Inspection Service, USDA.

Table 2--U.S. goat meat imports, 1989-2002

Year	Australia	New Zealand	Total
		Million pounds (carcass weight)	
1989	4.1	0.1	4.3
1990	4.7	0.2	4.9
1991	5.5	0.6	6.1
1992	7.4	1.0	8.5
1993	5.1	1.7	6.8
1994	6.3	0.8	7.1
1995	8.7	0.0	8.8
1996	7.9	0.7	8.7
1997	11.1	0.6	11.7
1998	14.9	1.2	16.1
1999	10.1	2.1	12.2
2000	19.2	1.2	20.4
2001	18.5	2.2	20.7
2002	23.2	2.0	25.2

Source: Foreign Agricultural Trade Statistics, Census Bureau, U.S. Department of Commerce.

Table 3--Imports of live goats, 1989 to present.

Year	Live goat imports $U.S.	Number
1989	22,130	1,055
1990	36,645	524
1991	-	6
1992	15,938	20
1993	124,052	757
1994	2,020,718	28,500
1995	641,177	1,385
1996	358,757	1,144
1997	243,279	1,172
1998	295,081	2,475
1999	317,714	1,166
2000	284,526	1,414
2001	338,760	3,686
2002	786,423	11,874
2003*	345,316	4,841

Source: Foreign Agricultural Trade Statistics,
Census Bureau, U.S. Department of Commerce.
*first quarter 2003.

Table 4--Milk goats, inventory and sales

Item	1997	1992	1987
Milk goats, inventory (farms)	11,456	11,559	15,443
Milk goats, inventory (number)	146,678	124,718	129,225
Milk goats, sales (farms)	3,870	3,657	4,770
Milk goats, sales (number)	54,454	46,284	49,795
Goat milk, sales (farms)	2,025	2,010	2,378
Goat milk, sales (gallons)	9,009,037	7,222,917	4,369,866
Sales (farms)	4,725	4,497	5,830
Sales, total sales ($1,000)	27,639	20,570	12,845

Source: Census of Agriculture, U.S. Department of Commerce.

Table 5--Angora goats,-inventory and sales

Item	1997	1992	1987
Angora goats, inventory (farms)	4,470	6,150	5,352
Angora goats, inventory (number)	809,391	1,799,280	1,702,166
Angora goats, sales (farms)	1,601	2,416	2,158
Angora goats, sales (number)	232,337	396,698	328,219
Mohair, sales (farms)	3,250	5,274	4,691
Mohair, sales (pounds)	5,176,982	13,655,639	13,180,549
Sales (farms)	3,473	5,470	4,892
Sales, total sales ($1,000)	16,138	32,316	45,882

Source: Census of Agriculture, U.S. Department of Commerce.

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Related Article

The discovery of bovine spongiform encephalopathy (BSE) http://www.usda.gov/news/releases/2003/05/bg0166.htm in Canada resulted in the United States placing a ban on imports of ruminant animals and products from that country as of May 20. When the ban will be lifted is uncertain. The United States imports a substantial amount of cattle and beef from Canada.

Data

Retail Price Reporting for Meat
http://www.ers.usda.gov/Data/Meatscanner/ A new ERS database contains monthly average retail prices for selected cuts of red meat and poultry, based on electronic supermarket scanner data. While not based on a random sample, the raw data underlying the database are from supermarkets across the United States that account for approximately 20 percent of U.S. supermarket sales. Leland Southard, (202) 694-5187.

Web Sites

Animal Production and Marketing Issues, http://www.ers.usda.gov/briefing/AnimalProducts/
Cattle, http://www.ers.usda.gov/briefing/cattle/
Hogs, http://www.ers.usda.gov/briefing/hogs/
Poultry and Eggs, http://www.ers.usda.gov/briefing/poultry/
Dairy, http://www.ers.usda.gov/briefing/dairy
WASDE, http://www.usda.gov/oce/waob/wasde/latest.pdf

Red meat and poultry forecasts

	2002				2003					2004		
	II	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual
Production, million lb												
Beef	6,833	7,097	6,783	27,090	6,287	6,907	6,925	6,125	26,244	6,000	6,550	25,350
Pork	4,797	4,832	5,255	19,664	4,889	4,734	4,750	5,160	19,533	4,850	4,700	19,450
Lamb and mutton	54	51	56	219	49	50	49	51	199	49	48	194
Broilers	8,234	8,251	7,936	32,240	7,770	8,225	8,275	8,100	32,371	7,900	8,325	32,725
Turkeys	1,441	1,412	1,482	5,713	1,379	1,437	1,400	1,475	5,691	1,375	1,450	5,775
Total red meat & poultry	21,543	21,837	21,700	85,669	20,550	21,533	21,574	21,083	84,740	20,354	21,259	84,211
Table eggs, mil. doz.	1,518	1,551	1,573	6,148	1,511	1,514	1,555	1,580	6,160	1,520	1,530	6,205
Per capita consumption, retail lb 1/												
Beef	17.5	17.3	16.6	67.6	16.2	16.9	17.1	14.5	64.7	15.2	16.3	62.6
Pork	12.6	12.7	13.8	51.5	12.6	12.5	12.3	13.4	50.8	12.4	12.2	50.1
Lamb and mutton	0.3	0.3	0.3	1.2	0.3	0.3	0.3	0.3	1.1	0.3	0.3	1.1
Broilers	20.8	20.6	19.9	80.5	19.6	20.7	20.4	19.6	80.2	19.4	20.3	79.4
Turkeys	3.9	4.4	5.9	17.7	3.6	3.9	4.2	6.0	17.7	3.7	4.0	17.8
Total red meat & poultry	55.6	55.8	57.0	220.5	52.7	54.8	54.7	54.2	216.5	51.6	53.7	213.1
Eggs, number	62.6	64.0	64.6	253.7	61.9	62.1	63.6	64.4	252.0	61.6	62.0	250.9
Market prices												
Choice steers, Neb., $/cwt	65.58	63.29	69.10	67.04	77.82	78.49	75-77	75-79	76-78	76-81	79-85	77-84
Feeder steers, Ok City, $/cwt	76.96	78.87	83.08	80.04	78.38	82.49	87-89	89-93	84-86	85-91	83-89	86-92
Boning utility cows, S. Falls, $/cwt	42.28	37.69	35.69	39.23	40.32	46.52	49-51	47-49	44-45	45-49	48-52	47-50
Choice slaughter lambs, San Angelo, $/cwt	66.00	74.60	82.02	72.31	91.92	93.71	84-86	83-87	87-90	79-85	80-86	79-86
Barrows & gilts, N. base, l.e. $/cwt	35.03	33.86	31.34	34.92	35.38	42.64	41-43	38-40	39-40	39-43	41-45	41-44
Broilers, 12 City, cents/lb	56.10	56.40	53.70	55.60	60.30	59.60	61-63	58-62	50-61	57-61	59-63	58-63
Turkeys, Eastern, cents/lb	62.90	66.70	68.20	64.50	61.10	60.60	62-64	66-70	62-64	59-63	61-67	64-69
Eggs, New York, cents/doz.	58.40	65.30	75.40	67.10	77.20	73.90	76-78	78-82	76-78	74-80	69-75	74-80
U.S. trade, million lb												
Beef & veal exports	601	662	612	2,447	585	665	645	610	2,505	600	660	2,550
Beef & veal imports	934	839	708	3,218	810	740	740	650	2,940	860	975	3,530
Lamb and mutton imports	44	32	38	162	40	48	36	43	167	45	43	167
Pork exports	418	389	414	1,611	413	425	400	430	1,668	405	430	1,695
Pork imports	262	275	299	1,071	289	290	300	325	1,204	310	310	1,255
Broiler exports	1,119	1,257	1,219	4,800	1,200	1,125	1,250	1,300	4,875	1,250	1,275	5,200
Turkey exports	107	100	103	439	103	100	105	120	428	110	105	445

1/ Per capita meat and egg consumption data are revised, incorporating a new population series from the Commerce Department's Bureau of Economic Analysis based on the 2000 Census.

ECONOMIC INDICATOR FORECASTS 1/

	2002				2003					2004		
	II	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual
GDP, chain wtd (bil. 1996 dol.)	9,388	9,465	9,503	9,435	9,556	9,608	9,692	9,784	9,661	9,877	9,971	10,016
CPI-U, annual rate (pct.)	3.4	1.9	2.4	2.2	3.9	0.6	1.5	1.4	1.8	2.0	1.9	2.0
Unemployment (pct.)	5.9	5.7	5.9	5.8	5.8	6.2	6.2	6.1	6.1	6.0	5.9	5.9
Interest (pct.)												
3-month Treasury bill	1.7	1.6	1.3	1.6	1.2	1.0	1.0	1.0	1.1	1.1	1.3	1.5
10-year Treasury bond yield	5.1	4.3	4.0	4.6	3.9	3.6	4.2	4.3	4.0	4.4	4.5	4.6

'1/ Source: Survey of Professional Forecasters, Philadelphia Federal Reserve Bank, August 2003.

DAIRY FORECASTS

	2002				2003					2004		
	II	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual
Milk cows (thous,)	9,149	9,153	9,148	9,141	9,154	9,116	9,080	9,050	9,100	9,000	8,960	8,950
Milk per cow (pounds)	4,811	4,566	4,543	18,573	4,691	4,815	4,580	4,620	18,705	4,840	4,950	19,235
Milk production (bil. pounds)	44.0	41.8	41.6	169.8	42.9	43.9	41.6	41.8	170.2	43.6	44.4	172.1
Commercial use (bil. pounds)												
milkfat basis	42.2	43.8	43.9	170.5	41.2	43.2	44.3	44.8	173.4	42.5	44.4	177.5
skim solids basis	40.6	42.3	41.2	163.4	40.2	41.0	42.6	42.1	165.9	41.4	42.3	171.2
Net removals (bil. pounds)												
milkfat basis	0.1	0.1	0.1	0.3	0.4	0.5	0.2	0.1	1.2	0.3	0.2	0.6
skim solids basis	3.5	2.1	1.5	9.8	3.1	3.0	1.4	0.9	8.4	1.8	2.2	4.9
Prices (dol./cwt)												
All milk 1/	12.03	11.33	11.97	12.11	11.37	11.07	12.80 -13.10	13.20 -13.80	12.10 -12.30	11.25 -12.15	10.75 -11.75	11.40 -12.40
Class III	10.59	9.59	10.10	10.42	9.52	9.62	12.85 -13.15	11.35 -11.95	10.85 -11.05	9.60 -10.50	9.80 -10.80	10.15 -11.15
Class IV	10.73	10.36	10.52	10.81	9.89	9.74	10.00 -10.40	10.15 -10.85	9.95 -10.25	9.60 -10.60	9.40 -10.50	9.70 -10.80

1/ Simple averages of monthly prices. May not match reported annual averages.

Total heifers entering cow herd January-June and July-December

Year	Jan 1 cow inventory	Intended herd replacements Jan. 1	Total 1/ disappearance Jan.-June	July 1 cow inventory	Heifers entering the herd Jan.-June	Percent entering	Intended herd replacements July 1	Total 2/ disappearance July-Dec.	Jan. 1 entering cow inventory following year	Heifers entering the herd July-Dec.	Percent entering
	1,000 head					Percent	1,000 head				Percent
1989	42,625	9,442	3,518	43,000	3,893	41.2	9,200	3,439	42,469	2,908	31.6
1990	42,469	9,454	3,347	42,900	3,778	40.0	9,100	3,210	42,485	2,795	30.7
1991	42,485	9,536	3,229	43,200	3,944	41.4	9,300	3,031	42,735	2,566	27.6
1992	42,735	9,774	3,271	43,600	4,136	42.3	9,700	3,218	43,023	2,641	27.2
1993	43,023	10,268	3,396	44,600	4,973	48.4	9,700	3,338	44,110	2,848	29.4
1994	44,110	10,489	3,293	45,100	4,283	40.8	9,900	3,310	44,672	2,882	29.1
1995	44,672	10,573	3,462	45,600	4,390	41.5	9,600	3,490	44,739	2,629	27.4
1996	44,739	10,279	3,912	45,100	4,273	41.6	9,200	4,033	43,776	2,709	29.4
1997	43,776	10,100	3,640	44,100	3,964	39.2	8,900	3,581	43,084	2,565	28.8
1998	43,084	9,750	3,361	43,600	3,877	39.8	8,600	3,268	42,878	2,546	29.6
1999	42,878	9,604	3,221	43,300	3,643	37.9	8,500	3,132	42,759	2,591	30.5
2000	42,759	9,503	3,151	43,200	3,592	37.8	8,400	3,011	42,580	2,391	28.5
2001	42,580	9,645	3,295	43,000	3,715	38.5	8,200	3,118	42,229	2,347	28.6
2002	42,229	9,621	3,177	42,900	3,848	40.0	8,300	3,215	42,099	2,414	29.1
2003	42,099	9,712	3,402	42,700	4,003	41.2	8,200				

1/ Death loss calculated as 1 percent of January 1 cow inventory plus estimated commercial cow slaughter
2/ Death loss calculated as 1/2 percent of January 1 cow inventory plus estimated commercial cow slaughter

Beef heifers entering cow herd January-June and July-December

Year	Jan. 1 cow inventory	Intended herd replacements Jan. 1	Total 1/ disappearance Jan.-June	July 1 cow inventory	Heifers entering the herd Jan.-June	Percent entering	Intended herd replacements July 1	Total 2/ disappearance July-Dec	Jan 1 entering cow inventory following year	Heifers entering the herd July-Dec.	Percent entering
	-----------------	--------------------	1,000 head	-----------------	-----------------	Percent	---------	------------------------	1,000 head	-----------------	Percent
1995	35,190	6,452	1,907	36,100	2,817	43.7	5,700	1,976	35,319	1,195	21.0
1996	35,319	6,189	2,303	35,700	2,684	43.4	5,500	2,392	34,458	1,150	20.9
1997	34,458	6,042	2,073	34,800	2,415	40.0	5,300	2,019	33,885	1,104	20.8
1998	33,885	5,764	1,900	34,400	2,415	41.9	5,000	1,918	33,745	1,263	25.3
1999	33,745	5,535	1,850	34,150	2,255	40.7	4,800	1,742	33,569	1,161	24.2
2000	33,569	5,503	1,731	33,950	2,112	38.4	4,700	1,619	33,397	1,066	22.7
2001	33,397	5,588	1,851	33,900	2,354	42.1	4,600	1,797	33,118	1,015	22.1
2002	33,118	5,561	1,816	33,750	2,448	44.0	4,600	1,785	32,947	982	21.3
2003	32,947	5,608	1,876	33,600	2,529	45.1	4,600				

1/ Death loss calculated as 1 percent of January 1 cow inventory plus estimated commercial cow slaughter.
2/ Death loss calculated as 1/2 percent of January 1 cow inventory plus estimated commercial cow slaughter

July 1 cattle inventory

Class	01-Jul-95	01-Jul-96	01-Jul-97	01-Jul-98	01-Jul-99	01-Jul-00	01-Jul-01	01-Jul-02	01-Jul-03	Percent change 2003/2002
					1,000 head					
Cattle and calves	113,000	111,600	109,200	107,700	107,000	106,300	105,800	105,100	103,900	-1.1%
Cows and heifers that have calved	45,600	45,100	44,100	43,600	43,300	43,200	43,000	42,900	42,700	-0.5%
Beef cows	36,100	35,700	34,800	34,400	34,150	33,950	33,900	33,750	33,600	-0.4%
Milk cows	9,500	9,400	9,300	9,200	9,150	9,250	9,100	9,150	9,100	-0.5%
Heifers 500 lb+	17,600	17,300	17,100	16,700	8,100	16,500	16,400	16,200	15,900	-1.9%
For beef cow replacement	5,700	5,500	5,300	5,000	4,800	4,700	4,600	4,600	4,600	0.0%
For milk cow replacement	3,900	3,700	3,600	3,600	3,700	3,700	3,600	3,700	3,600	-2.7%
Other heifers	8,000	8,100	8,200	8,100	8,100	8,100	8,200	7,900	7,700	-2.5%
Steers 500 lb+	15,400	15,100	14,800	14,600	14,400	14,300	14,600	14,500	14,200	-2.1%
Bulls 500 lb+	2,400	2,400	2,300	2,200	2,200	2,100	2,100	2,100	2,100	0.0%
Calves under 500 lb	32,000	31,700	30,900	30,600	30,500	30,200	29,700	29,400	29,000	-1.4%
Calf crop: Jan.-June	0	29,300	28,600	28,500	28,500	28,400	28,100	27,900	27,700	-0.7%
July-Dec	10,764	10,523	10,361	10,312	10,296	10,231	10,180	10,293	10,300	0.1%

Feeder cattle supply outside feedlots

Item	1996	1997	1998	1999	2000	2001	2002	2003	Change from previous year
				1,000 head		3/	3/		Percent
On farms Jan 1:									
Calves < 500 lb	18,384	17,826	17,401	17,290	16,815	16,206	15,763	15,563	-1.3
Steers over 500 lb	17,815	17,392	17,189	16,891	16,682	16,441	16,790	16,590	-1.2
Heifers over 500 lb 2/	9,948	10,212	10,051	10,170	10,147	10,131	10,057	9,890	-1.7
Total	46,147	45,430	44,641	44,351	43,644	42,778	42,610	42,043	-1.3
On feed Jan 1 1/:	12,853	13,067	13,536	13,153	13,929	14,100	13,756	12,821	-6.8
Feeder cattle outside feedlots on Jan 1:	33,294	32,363	31,105	31,198	29,715	28,678	28,854	29,222	1.3
Slaughter Jan-Mar:									
Calves	432	403	368	322	291	254	238	262	10.1
Steers & heifers	7,085	7,030	7,039	7,151	7,458	6,852	6,874	6,683	-2.8
Total	7,517	7,433	7,407	7,473	7,749	7,106	7,112	6,945	-2.3
On feed Apr 1 1/:	12,235	12,890	12,281	12,821	13,600	13,774	13,823	12,965	-6.2
Feeder cattle outside feedlots on April 1:	26,395	25,107	24,953	24,057	22,295	21,898	21,675	22,133	2.1
On farms July 1:									
Calves < 500 lb	31,700	30,900	30,600	30,500	30,200	29,700	29,400	29,000	-1.4
Steers over 500 lb	15,100	14,800	14,600	14,400	14,300	14,600	14,500	14,200	-2.1
Heifers over 500 lb 2/	8,100	8,200	8,100	8,100	8,100	8,200	7,900	7,700	-2.5
Total	54,900	53,900	53,300	53,000	52,600	52,500	51,800	50,900	-1.7
On feed July 1 1/:	9,741	10,839	10,956	11,447	12,250	12,916	12,326	11,628	-5.7
Feeder cattle outside feedlots on July 1:	45,159	43,061	42,344	41,553	40,350	39,584	39,474	39,272	-0.5
Slaughter Jul-Sep:									
Calves	469	396	394	349	293	256	281		
Steers & heifers	7,169	7,524	7,438	7,785	7,797	7,465	7,678		
Total	7,638	7,920	7,832	8,134	8,090	7,721	7,959		
On feed Oct 1 1/:	11,001	12,083	11,706	12,310	12,967	13,074	12,229		
Feeder cattle outside feedlots on Oct 1:	36,261	33,897	33,762	32,556	31,543	31,705	31,612		

1/ Estimated U.S. steers and heifers. 2/ Not including heifers for cow herd replacement.
3/ !995-1997 data revised to incorporate July 1 U.S., and 12 State on feed data.

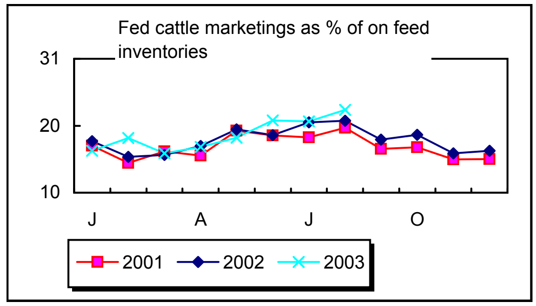
PRODUCTION INDICATORS

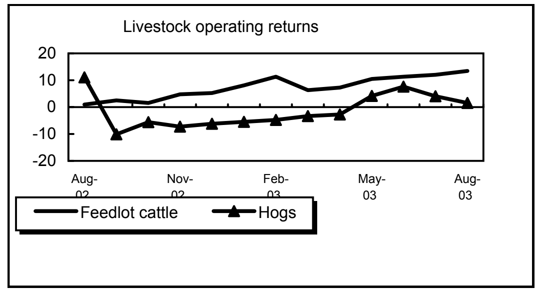
	July '2002	2003 May	2003 June	2003 July /*
			1,000 Head	
Cattle:				
On feed - US, 1,000+ Hd.	10,487	10,530	10,534	9,923
Net placements	1,795	2,237	1,611	1,932
Marketings	2,193	2,233	2,222	2,270
Broilers:				
Eggs in incubators (000) /1	641,663	646,010	651,893	636,633
Chicks hatched (000) /2	781,707	791,905	773,600	777,341
Hatching egg layers /1	57,242	57,630	56,265	56,500
Pullets placed (000)	6,602	7,612	7,225	7,071
Hvy-type hen slaughter /2	6,607	5,929	6,298	6,740
Turkeys:				
Eggs in incubators (000) /1	32,445	32,053	33,026	32,021
Poults placed (000)	25,646	25,111	25,448	25,182
Eggs:				
Table egg prod. (mil. doz.) /2	520.3	512.3	502.0	521.4
Table egg layers, (000) /1	275,484	273,885	272,250	272,461
Table eggs/100 layers /1	73.2	72.9	72.0	74.0
Chicks hatched (000) /2	35,573	38,206	34,940	35,593
Lt.-type hen slaughter /2	8,038	7,164	6,440	6,350

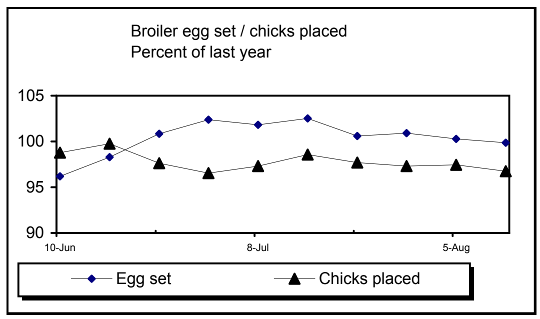
ESTIMATED RETURNS

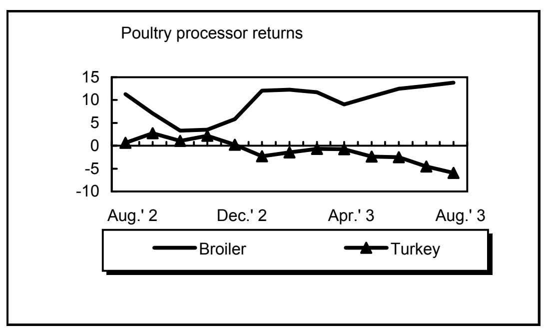
	Aug. '2002	2003 June	2003 July	2003 Aug. /*
			Cents/lb	
Great Plains cattle feedlot				
Breakeven price /3	63.43	65.23	63.53	65.84
Selling price	63.41	76.49	75.61	79.30
Net margin	-0.02	11.26	12.08	13.46
N. Central hog farrow to finish				
Breakeven price /3	37.57	40.21	41.47	41.44
Selling price	34.00	47.88	45.50	43.00
Net margin	-3.57	7.67	4.03	1.56
Broiler				
Wholesale cost	47.61	49.06	49.71	49.43
Wholesale price	55.72	61.56	62.80	63.25
Net margin	8.11	12.50	13.09	13.82
Turkey				
Wholesale cost	58.80	61.21	61.86	62.95
Wholesale price	62.88	58.73	57.33	57.00
Net margin	4.08	-2.48	-4.53	-5.95
Egg				
Wholesale cost	66.12	67.73	67.28	65.68
Wholesale price	70.05	68.29	70.93	80.25
Net margin	3.93	0.56	3.65	14.57

/1 First of month.
/2 Last month estimated.
/3 Does not include capital replacement cost.
/* estimate.









MEAT STATISTICS

	Jan. - Aug. 2002	Jan. - Aug. 2003	2003 Apr.	May	June	July	Aug. /*
Commercial production				*Million pounds*			
Beef	18,106	17,952	2,153	2,363	2,391	2,438	2,320
Veal	126	127	16	16	15	15	15
Pork	12,771	12,765	1,657	1,550	1,527	1,577	1,565
Lamb	144	131	19	15	15	16	16
Total red meat	31,147	30,974	3,845	3,944	3,948	4,046	3,916
Broilers	21,707	21,761	2,733	2,776	2,717	2,869	2,896
Other chicken	367	347	44	44	45	45	44
Turkeys	3,787	3,773	474	481	481	479	478
Total poultry	25,861	25,881	3,251	3,300	3,243	3,393	3,418
Total meat & poultry	57,008	56,855	7,096	7,244	7,191	7,439	7,334

	Jan. - Aug. 2002	Jan. - Aug. 2003	2003 Apr.	May	June	July	Aug. /*
Commercial slaughter/**				*Thousand head*			
Cattle	23,968	24,222	2,966	3,248	3,249	3,285	3,122
Steers	12,146	12,119	1,522	1,688	1,699	1,688	1,560
Heifers	7,689	7,691	892	1,012	1,025	1,052	984
Beef cows	2,008	2,068	257	267	261	263	258
Dairy cows	1,712	1,888	243	225	210	228	226
Bulls and stags	415	416	52	56	54	54	54
Calves	666	661	79	76	74	85	85
Sheep	2,160	1,943	296	222	229	229	240
Hogs	65,042	64,682	8,334	7,809	7,747	8,102	8,070
Barrows & gilts	62,714	62,379	8,048	7,518	7,452	7,794	7,775
Sows	2,139	2,142	265	270	274	288	280
Broilers	5,776,359	5,690,617	712,704	725,355	704,782	751,200	757,400
Turkeys	178,822	177,058	22,086	22,566	22,220	23,325	23,400

	Aug. 2002	2003 Apr.	May	June	July	Aug. /*
F.I. dressed weight			*Pounds*			
Cattle	775	731	733	741	748	749
Calves	176	205	210	204	178	181
Sheep	64	67	69	67	66	65
Hogs	193	200	200	198	196	195
Beginning cold storage stocks			*Million pounds*			
Beef	416.5	403.1	389.6	385.1	371.5	370.8
Pork	472.2	530.5	520.0	499.7	455.0	433.6
Bellies	29.9	43.0	48.5	45.9	43.5	32.2
Hams	135.8	90.9	91.7	104.6	113.2	121.2
Total chicken	869.2	642.0	732.0	687.2	653.3	645.8
Turkey	706.2	539.1	573.5	658.8	718.2	742.2
Frozen eggs	12.9	17.0	15.7	17.7	18.0	18.5

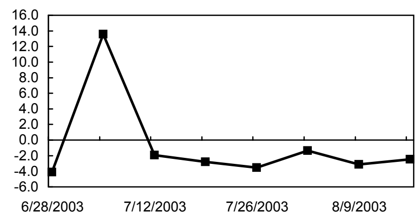
/* Estimates with exception of Cold Storage.

/** Slaughter classes are estimated.

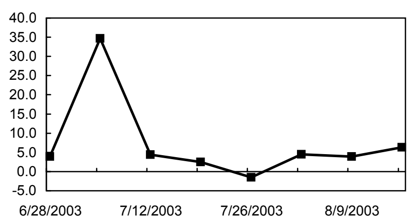
Weekly cattle slaughter
Percent change from last year

Weekly hog slaughter
Percent change from last year

Weekly broiler slaughter
Percent change from last year



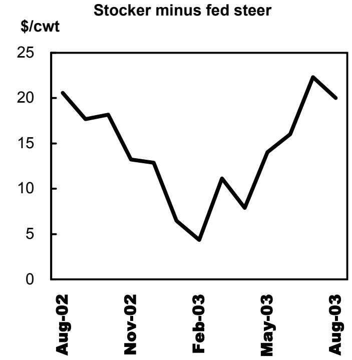
Weekly turkey slaughter
Percent change from last year



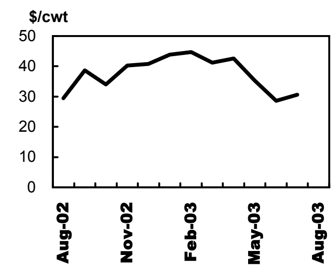
LIVESTOCK PRICES

	2002 Aug.	2003 Apr.	May	June	July	Aug. /*
Cattle prices			*$/cwt*			
Steers, Choice, 11-13 cwt						
Texas Panhandle	63.41	78.98	78.90	76.49	75.61	79.30
Nebraska Direct	62.96	79.24	79.50	76.73	76.89	81.00
Cows - Sioux Falls						
Utility breaking	40.00	46.80	51.38	49.31	50.40	54.95
Utility boning	37.50	45.20	48.31	46.06	49.90	49.75
Feeder Cattle - Oklahoma City						
Steers: Med. #1						
500-550 lb	87.89	97.20	98.12	102.21	104.93	102.40
600-650 lb	83.99	86.87	92.95	92.52	97.92	99.30
750-800 lb	78.68	79.15	82.03	86.30	90.02	94.50
Heifers: Med. #1						
450-500 lb	81.08	90.84	92.51	95.08	96.94	99.20
700-750 lb	76.44	75.52	78.70	84.76	87.23	90.60
Hog prices						
Barrows and gilts						
National base 51-52% lean	34.00	36.42	43.62	47.88	44.98	43.00
(live equivalent = carcass x .74)						
Sows						
Iowa-S. Minn. #1-2, 300-400 lb	20.87	25.47	29.83	31.15	34.13	31.00
Sheep & lamb prices						
San Angelo, TX						
Slaughter lambs, Choice	74.35	88.13	95.75	97.25	87.88	96.25
Ewes, Good	36.55	38.81	37.88	34.69	37.06	39.35
Feeder lambs, Choice	77.30	107.31	108.56	106.60	99.00	101.00

Cattle price spread
Stocker minus fed steer



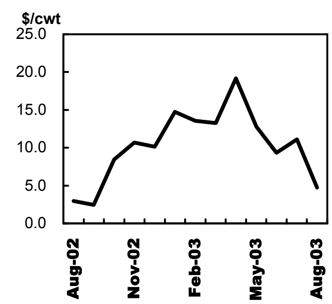
Steer - hog price spread
Fed steer minus live hog



GRAIN AND FEED PRICES

	2002 Aug.	2003 Apr.	May	June	July	Aug. /*
			$/bu			
Corn, #2 Yellow, Cen. Ill	2.50	2.36	2.40	2.37	2.13	2.16
Wheat, HRW Ord., K.C.	4.24	3.73	3.78	3.49	3.15	3.72
			$/ton			
SBM, 48% Solvent, Decatur	186.25	182.10	195.44	191.86	187.30	189.00
Alfalfa Hay, U.S. Avg.	101.00	96.20	102.00	98.90	92.70	N/A
Grass Hay, U.S. Avg.	71.30	86.40	87.30	79.20	77.80	N/A

Lamb spread
Feeder minus slaughter lamb

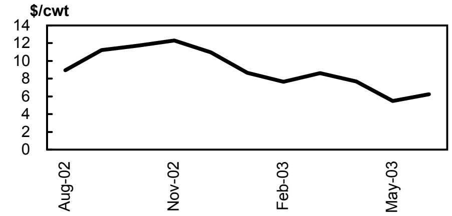


/* Estimates

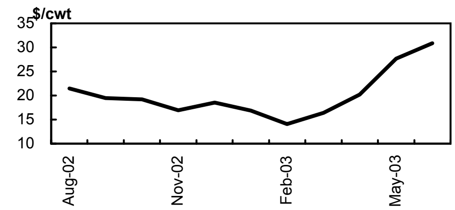
WHOLESALE PRICES

	2002	2003				
	Aug.	Apr.	May	June	July	Aug. /*
Beef, Central U.S.						
Boxed beef cutout			$/cwt			
Choice 1-3 550-700 lb	110.93	133.03	141.44	141.16	130.13	139.00
Choice 1-3 700-850 lb	109.91	133.38	141.64	141.56	130.52	139.75
Select 1-3 700-850 lb	102.94	121.01	123.55	127.91	124.04	130.25
Canner-Cutter Cows	N/A	N/A	N/A	N/A	N/A	N/A
Bnls. beef, 90% fresh	102.51	102.77	111.02	107.80	119.71	121.00
Importd bnls. beef 90% frz.	105.59	93.72	90.43	89.43	93.83	104.75
Hide & offal value	7.70	8.12	7.79	7.78	8.01	8.54
Veal carcass, 220-280 lb	N/A	N/A	N/A	N/A	N/A	N/A
Pork, Central U.S.						
Pork cutout composite	52.61	54.57	61.77	68.07	63.58	61.00
Loins, 14-19 lb Bl 1/4" trim	97.85	96.90	108.93	126.51	102.50	103.00
Bellies, 12-14 lb skin on trmd.	67.98	84.94	96.58	97.05	102.37	86.50
Hams, 20-23 lb Bl trmd. TS1	35.93	37.49	41.38	44.70	49.34	50.00
Trimmings, 72% fresh	31.74	36.96	47.23	46.43	52.66	47.00
Lamb, East Coast						
55 lb Down, Choice	N/A	N/A	N/A	N/A	N/A	N/A
55-65 lb, Choice	163.89	193.51	198.58	206.21	189.45	181.90
			cents/lb			
Broilers						
12 City Avg.	55.72	57.78	59.44	61.56	62.80	63.25
Georgia dock	62.62	62.38	63.31	64.35	65.58	66.50
Northeast						
Breast, boneless	150.88	148.60	162.71	163.87	174.74	181.20
Breast, Ribs on	85.37	84.20	94.68	91.30	88.75	91.50
Legs, whole	32.08	30.35	33.36	34.99	36.42	36.50
Leg quarters	18.44	20.82	23.88	25.11	27.52	28.20
Turkeys						
Eastern region						
Toms, 16-24 lb	59.82	58.89	58.12	58.83	57.32	56.50
Hens, 8-16 lb	66.56	61.43	60.36	60.12	58.18	57.50
Breast, 4-8 lb	96.75	90.00	88.14	86.09	85.60	84.00
Drumsticks	19.39	20.30	19.40	22.40	25.25	26.50
Wings, full cut	21.78	14.81	12.74	16.32	20.10	21.75
Eggs, grd A, lg, doz						
12 City Metro	70.05	70.22	58.47	68.29	70.93	80.25
New York	67.27	77.09	67.67	76.90	81.50	95.00

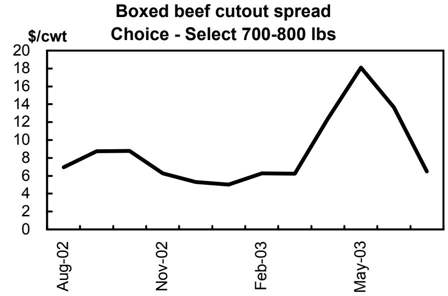
Hog to cutout price spread
Pork + Offal - Live hog



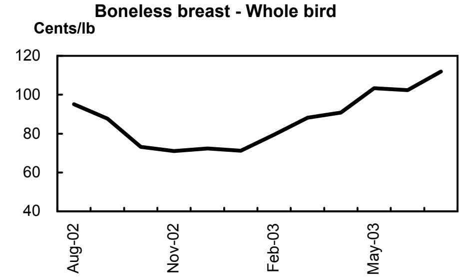
Steer to cutout price spread
Beef + Offal - Fed Steer



Boxed beef cutout spread
Choice - Select 700-800 lbs



Broiler price spread
Boneless breast - Whole bird

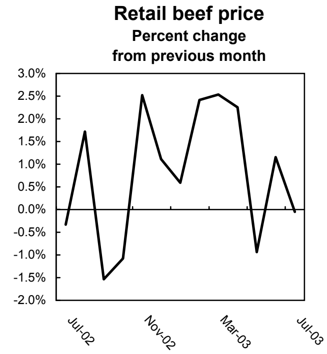


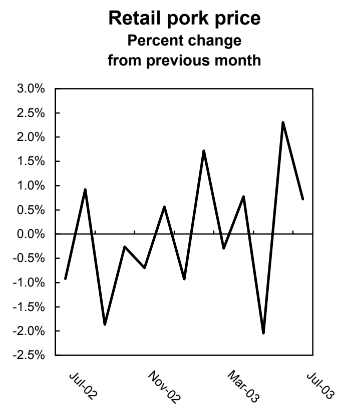
/* Estimates.

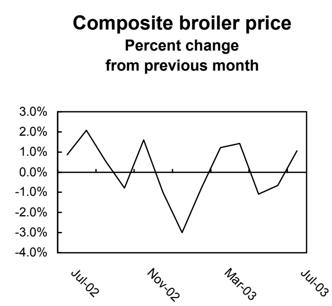
Source: Agricultural Marketing Service.

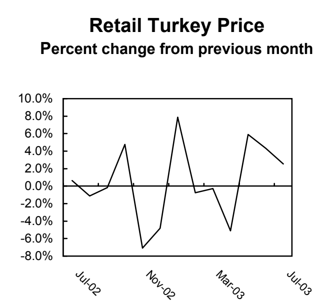
RETAIL PRICES & SPREADS

	Feb-2003	Mar-2003	Apr-2003	May-2003	Jun-2003	Jul-2003
Retail prices			***Cents/lb***			
Beef - Choice	348.0	356.8	364.8	361.4	365.6	365.4
Beef - All fresh	315.7	319.5	318.5	317.5	326.7	328.1
Ground beef	177.8	185.8	185.5	185.6	193.2	187.8
Round roast	325.9	327.3	340.2	337.1	324.8	333.1
T-bone steak	NA	NA	NA	NA	NA	NA
Pork	262.6	261.8	263.8	258.5	264.4	266.3
Bacon	328.1	321.6	328.7	308.6	313.6	315.5
Chops	330.2	328.7	339.3	304.2	305.8	308.5
Sausage	NA	NA	NA	NA	NA	NA
Broilers - Composite	158.0	159.9	162.2	160.4	159.4	161.1
Whole, fresh	103.1	104.9	105.3	103.1	103.3	102.7
Breast - bone in	223.6	224.7	229.3	226.8	NA	NA
Leg - bone in	122.3	124.9	125.9	124.8	122.6	126.2
Turkey; whole frozen	105.8	105.5	100.1	106.0	110.6	113.4
Eggs, Gr A, Lg, Doz	118.9	120.9	113.1	100.9	119.9	115.0
Price indexes			***1982-84=100***			
CPI - All	183.1	184.2	183.8	183.5	183.7	183.9
All food	178.3	178.6	178.4	178.8	179.6	179.7
All meat	162.3	163.6	164.1	164.0	166.6	168.0
Beef & veal	166.6	168.6	169.1	168.3	170.3	171.8
Pork	161.8	160.6	159.5	161.4	165.3	166.9
Poultry	167.2	167.6	168.2	165.9	167.7	168.9
Price Spreads			***Cents / retail lb***			
Beef						
Farm to wholesale	27.9	30.7	36.3	47.5	52.6	39.2
Wholesale to retail	147.1	159.7	157.6	141.5	146.1	162.5
Farmers share (%)	50	47	47	48	46	45
Pork						
Farm to wholesale	38.3	38.3	37.4	31.9	35.4	33.6
Wholesale to retail	161.2	159.7	162.0	149.2	144.0	153.2
Farmers share (%)	24	24	24	30	32	30
Poultry and eggs						
Wholesale to retail						
Broilers	97.3	99.3	102.6	96.4	93.0	92.7
Retail to consumer						
Turkey	37.6	36.8	31.2	38.1	42.9	47.1
Eggs Cents/doz	45.7	41.9	39.4	32.7	43.8	34.6









Sources: Economic Research Service, USDA and Bureau of Labor Statistics, U.S. Department of Labor.

Cumulative U.S. livestock & meat trade

	2001	2002	Jan. - Jun-2002	Jan. - Jun-2003
Beef & veal imports		***Carcass wt., 1,000 lb***		
Australia	1,151,858	1,136,758	607,972	536,785
New Zealand	637,372	603,931	355,116	394,646
Canada	987,073	1,090,894	539,861	422,685
Brazil	163,556	200,785	85,238	101,607
Argentina	99,708	85,349	32,576	36,240
Central America	70,103	68,325	33,881	40,521
Uruguay	41,109	14,095	6,290	11,121
Mexico	12,166	16,707	9,547	7,524
Other	411	756	498	175
Total	3,163,356	3,217,599	1,670,979	1,551,302
Beef & veal exports				
Japan	1,004,062	771,074	368,706	460,278
Canada	233,291	240,550	117,675	139,811
Mexico	531,972	629,252	298,506	293,877
South Korea	345,518	597,301	291,019	280,113
Caribbean	22,368	23,015	10,886	10,366
Russia	7,400	17,388	9,369	6,498
Other	124,672	169,125	78,873	72,156
Total	2,269,283	2,447,704	1,175,035	1,263,099
Cattle imports			***Head***	
Mexico	1,130,168	816,460	448,217	530,802
Canada	1,306,185	1,686,508	735,409	508,322
Over 700 lb	1,143,181	1,259,536	596,195	439,016
440-700 lb	45,679	221,782	61,380	11,500
Total	2,436,715	2,502,973	1,183,631	1,039,136
Cattle exports				
Mexico	143,834	106,019	57,167	15,410
Canada	297,622	134,220	77,299	52,908
Total	448,695	244,394	135,200	72,391
Lamb imports		***Carcass wt., 1,000 lb***		
Australia	67,785	68,073	37,938	39,406
New Zealand	39,576	48,565	25,165	28,912
Total	108,215	117,047	63,297	68,473
Mutton imports				
Total	37,511	42,886	28,319	15,376
Lamb and mutton exports				
Total	6,511	7,101	3,298	3,543
Customs Service (beef/veal)		***Product wt., metric tons***		
YTD imports under WTO:		8/19/2002	8/18/2003	% of quota
Canada		249,057	158,323	NA
Mexico		2,255	2,366	NA
TRQ countries		399,900	382,998	55
Australia		245,344	209,901	55
New Zealand		141,520	154,807	73
Argentina		-	-	-
Uruguay		-	1,955	10
Japan		-	-	-
Other		13,037	16,335	25
Total		651,213	543,688	NA

	2001	2002	Jan. - Jun-2002	Jan. - Jun-2003
Pork imports		***Carcass wt., 1,000 lb***		
Canada	766,043	879,949	402,481	473,563
Denmark	120,106	123,013	63,640	83,241
Poland	23,976	24,420	10,137	10,191
Netherlands	8,433	6,730	3,467	3,278
Hungary	6,814	4,806	1,539	2,820
Other	25,372	31,809	15,007	17,504
Total	950,745	1,070,727	496,272	590,597
Pork exports				
Japan	742,222	775,945	414,246	449,567
Canada	186,234	188,351	100,337	83,004
Mexico	318,480	313,695	158,121	142,667
Russia	82,327	41,397	21,010	9,300
South Korea	38,685	70,836	26,448	47,342
Hong Kong	27,612	28,393	12,493	18,230
Caribbean	23,503	20,350	9,726	6,784
Other	140,397	173,262	66,537	94,274
Total	1,559,459	1,612,228	808,918	851,168
Hog imports			***Head***	
Canada	5,337,688	5,740,073	2,896,703	3,180,751
Under 110 lb	3,163,962	3,757,882	1,846,363	2,301,551
Total	5,337,688	5,740,675	2,896,703	3,180,757
Hog exports				
Total	64,049	205,121	97,789	42,543
Broiler exports		***Ready to cook, 1,000 lb***		
Japan	234,974	120,682	50,001	53,274
Mexico	380,727	324,148	191,180	161,845
Hong Kong	744,961	607,448	352,050	170,989
Singapore	49,165	37,475	18,822	13,563
Canada	177,057	191,517	84,443	93,889
Russia	2,303,921	1,520,532	772,846	674,611
Latvia	97,703	97,281	28,868	38,128
Other	1,566,777	1,908,100	887,155	1,159,336
Total	5,555,285	4,807,184	2,385,366	2,365,635
Turkey exports				
Mexico	219,941	186,284	110,838	100,672
Canada	11,311	14,445	5,427	7,551
South Korea	16,852	12,990	7,399	6,103
Russia	80,719	29,026	21,340	8,441
Hong Kong	36,034	70,199	37,987	20,488
Other	122,142	125,635	55,215	73,191
Total	486,999	438,579	238,206	216,447
Shell egg exports		***1,000 doz.***		
Canada	32,279	30,496	12,583	10,194
Japan	3,026	2,256	200	105
Other	55,750	55,900	27,441	34,904
Total	91,055	88,652	40,224	45,204

Sources: Economic Research Service, USDA and Census Bureau, U.S. Department of Commerce.

Monthly U.S. livestock and meat trade **

	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03
Beef & veal imports						***Carcass wt., 1,000 lb***							
Australia	97,182	128,045	92,338	82,637	69,385	98,429	57,952	151,202	40,579	76,061	87,574	89,162	92,207
New Zealand	82,753	70,219	39,799	26,943	24,537	26,182	61,136	42,350	60,516	72,565	81,533	67,836	69,846
Canada	108,654	96,857	100,819	89,711	95,433	87,589	80,625	91,888	85,015	94,892	90,542	60,260	88
Brazil	13,521	23,357	19,295	21,233	12,581	22,494	16,587	14,443	13,019	15,816	16,022	21,344	20,961
Argentina	4,613	7,757	8,663	8,110	10,107	7,443	10,694	8,737	4,601	5,178	3,730	4,576	9,418
Central America	2,301	2,043	5,933	6,547	6,038	6,381	7,503	5,835	10,422	8,591	5,950	5,747	3,976
Uruguay	1,274	2,031	1,434	1,272	611	857	1,600	2,249	924	1,500	1,347	2,508	2,593
Mexico	1,649	1,351	1,086	1,143	1,131	1,197	1,251	1,318	957	1,233	1,191	1,165	1,660
Other	4	4	7	5	228	8	6	3	67	86	13	3	4
Total	311,949	331,664	269,374	237,600	220,049	250,579	237,354	318,024	216,100	275,921	287,901	252,601	200,755
Beef & veal exports													
Japan	62,683	72,093	76,613	63,369	42,176	80,433	67,684	71,018	73,320	75,540	74,992	79,108	86,301
Canada	18,222	18,505	17,721	18,605	22,531	22,380	23,133	21,495	20,112	22,508	20,956	25,441	29,298
Mexico	52,730	64,254	58,052	52,148	56,565	39,432	60,296	45,621	36,125	37,337	43,835	63,316	67,643
Korea, Rep.	49,983	53,300	54,880	55,756	29,276	59,880	53,190	42,420	46,072	44,316	42,320	42,020	62,965
Caribbean	1,739	1,957	2,078	1,872	2,037	1,524	2,660	1,662	1,590	1,792	2,036	1,529	1,758
Russia	2,071	1,778	608	3,590	630	525	888	1,101	469	1,198	1,253	1,216	1,262
Other	14,251	13,617	12,297	17,287	9,636	19,396	18,019	12,919	13,929	14,123	11,078	10,134	9,973
Total	201,680	225,503	222,249	212,627	162,852	223,569	225,870	196,235	191,618	196,813	196,470	222,763	259,200
Cattle imports						***Head***							
Mexico	7,405	8,114	6,353	8,203	57,455	146,806	141,312	97,772	92,277	98,285	90,636	97,125	54,707
Canada	102,399	113,327	153,809	184,379	196,599	183,783	119,202	118,113	105,678	118,178	114,129	49,350	2,874
Over 700 lb	85,312	97,921	121,654	120,603	111,836	120,059	91,268	99,543	92,345	105,351	101,240	40,537	-
440-700 lb	2,709	2,796	8,961	32,754	57,140	45,459	13,292	4,597	2,319	966	2,263	880	475
Total	109,804	121,441	160,162	192,582	254,054	330,589	260,514	215,885	197,955	216,463	204,765	146,487	57,581
Cattle exports													
Mexico	6,538	10,399	8,154	7,655	8,471	7,233	6,940	5,728	2,124	1,913	2,042	1,588	2,015
Canada	9,975	9,716	8,244	6,304	7,867	11,368	13,422	8,534	8,417	10,712	8,816	9,009	7,420
Total	16,617	20,254	16,542	14,063	16,717	18,785	22,833	14,325	10,888	13,033	11,926	10,811	11,408
Lamb imports						***Carcass wt., 1,000 lb***							
Australia	5,959	5,768	5,536	3,941	3,948	4,996	5,946	5,697	3,906	7,203	9,014	7,095	6,491
New Zealand	4,415	4,298	3,980	3,082	3,391	4,339	4,310	3,748	3,821	6,690	6,738	4,358	3,556
Total	10,411	10,110	9,534	7,065	7,376	9,348	10,317	9,445	7,727	14,003	15,796	11,454	10,046
Mutton imports													
Total	2,095	1,213	1,713	2,034	2,575	3,010	4,021	3,532	1,897	3,088	3,512	1,884	1,464
Lamb and mutton exports													
Total	911	310	774	543	613	565	998	674	613	695	609	342	610

The 13 month revisions for the year 2002 will be posted July 22

Monthly U.S. livestock and meat trade, continued

	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03
Pork imports						*Carcass wt., 1,000 lb*							
Canada	70,578	78,081	79,287	74,185	83,797	82,803	79,316	76,896	76,637	81,018	78,629	75,260	85,124
Denmark	9,503	10,517	8,272	7,202	8,472	11,493	13,416	9,226	13,758	15,749	14,626	14,529	15,354
Poland	1,774	2,236	1,326	2,889	2,673	2,224	2,935	2,012	2,074	1,460	1,594	1,259	1,792
Netherlands	644	668	268	803	488	436	599	415	715	403	572	487	685
Hungary	159	863	464	272	471	468	729	533	464	467	470	464	422
Other	2,764	3,026	2,627	2,394	3,192	2,715	2,849	2,685	2,098	2,626	3,353	3,306	3,436
Total	85,422	95,392	92,243	87,744	99,093	100,140	99,843	91,766	95,746	101,722	99,244	95,305	106,813
Pork exports													
Japan	76,324	68,575	58,418	58,486	45,910	64,609	65,702	67,422	67,615	74,975	75,798	82,216	81,540
Canada	14,924	14,106	13,645	15,584	13,589	16,350	14,740	12,882	13,545	16,042	13,393	14,988	12,153
Mexico	23,597	27,775	28,365	18,770	26,320	25,354	28,990	24,395	20,907	21,961	19,779	27,066	28,559
Russia	4,721	5,419	1,577	2,112	4,354	4,348	2,576	2,043	2,367	1,495	1,213	1,262	920
Korea, Rep.	4,168	5,416	6,615	6,630	7,003	11,302	7,422	8,793	7,693	9,870	7,217	7,303	6,468
Hong Kong	3,064	1,467	1,247	2,371	2,350	4,273	4,193	1,910	3,140	3,054	2,912	3,342	3,872
Caribbean	1,949	1,601	1,617	1,731	2,204	1,785	1,686	1,425	1,012	1,003	915	1,503	925
Other	12,564	17,360	12,845	17,257	19,249	21,195	18,819	15,409	17,038	17,151	14,368	14,639	15,670
Total	141,310	141,719	124,329	122,940	120,978	149,216	144,128	134,279	133,318	145,550	135,595	152,318	150,107
Hog imports						*Head*							
Canada	436,534	456,561	436,777	426,769	557,096	471,523	494,644	545,267	449,352	507,874	529,021	568,915	580,322
Under 110 lb	283,639	301,093	294,458	269,923	392,866	322,166	331,013	377,133	328,845	370,013	397,116	426,665	401,779
Total	436,534	456,561	436,777	426,769	557,096	472,125	494,644	545,267	449,352	507,874	529,021	568,915	580,328
Hog exports													
Total	19,241	16,509	20,285	19,654	13,346	14,764	22,774	15,663	11,313	6,682	3,295	2,279	3,311
Broiler exports	***Has been revised to exclude paws				*Ready to cook, 1,000 lb*								
Japan	11,030	13,763	11,451	9,625	11,216	15,811	8,814	8,219	6,174	5,861	7,851	8,811	16,357
Mexico	19,453	18,458	19,001	23,467	24,849	24,593	22,600	24,329	21,939	27,736	25,281	30,311	32,248
Hong Kong	39,464	46,658	58,351	49,213	30,044	37,706	33,426	44,266	44,714	33,061	18,101	15,011	15,836
Singapore	2,307	1,755	1,819	2,597	4,041	4,119	4,322	2,975	2,569	3,384	1,278	1,576	1,782
Canada	17,411	18,465	19,593	20,151	17,889	17,805	13,170	15,004	13,240	14,518	14,879	18,942	17,306
Russia	168,493	140,948	208,145	27,754	196,192	118,290	56,356	112,468	152,948	144,644	79,625	74,298	110,628
Latvia	571	9,145	156	18,844	17,552	21,933	782	3,880	4,139	1,759	9,072	11,924	7,355
Other	170,624	177,092	142,854	162,966	168,187	195,355	174,491	207,200	149,195	155,565	153,544	225,444	268,387
Total	429,354	426,285	461,370	314,617	469,971	435,612	313,962	418,340	394,919	386,528	309,631	386,317	469,900
Turkey exports													
Mexico	7,820	7,386	9,856	14,752	16,288	13,743	13,421	13,361	15,419	15,727	15,225	20,589	20,352
Canada	1,187	947	1,241	1,252	1,507	1,576	2,496	895	1,211	1,520	1,344	1,697	883
S. Korea	1,694	746	1,556	792	897	910	690	844	1,038	1,234	681	1,281	1,025
Russia	3,189	1,024	4,216	508	1,113	517	308	161	1,617	2,555	892	1,832	1,384
Hong Kong	4,850	4,015	6,337	6,682	4,808	4,561	5,809	3,505	5,425	4,346	1,979	1,918	3,315
Other	10,713	10,783	13,863	11,974	11,651	13,983	8,166	10,773	10,900	12,245	12,800	12,857	13,617
Total	29,453	24,901	37,070	35,960	36,263	35,290	30,890	29,538	35,609	37,628	32,921	40,174	40,576
Shell egg exports						*1,000 doz.*							
Canada	2,838	2,075	2,490	3,286	3,346	2,829	3,886	1,205	1,243	1,548	1,717	1,982	2,498
Japan	14	320	373	358	354	567	84	104	-	-	-	-	1
Other	3,923	5,294	5,279	4,325	3,985	4,629	4,947	5,168	5,480	10,101	3,927	5,122	5,107
Total	6,774	7,689	8,142	7,970	7,685	8,025	8,917	6,477	6,723	11,648	5,644	7,104	7,607

Sources: Economic Research Service, USDA and Census Bureau, U.S. Department of Commerce.

For further information: Dale Leuck (202) 694-5186 or Mildred Haley (202) 694-5176.

U.S. dairy situation at a glance 1/

	Unit	2000	2001	2002	May-02	Jun-02	Jul-02	Aug-02
Milk production:								
Production (20 States)	Mil. lb.	144,535	142,979	146,590	13,039	12,348	12,281	12,223
Milk cows (20 States)	Thou.	7,799	7,745	7,773	7,769	7,782	7,781	7,785
Milk per cow (20 States)	Lb.	18,534	18,459	18,858	1,678	1,587	1,578	1,570
Production (U.S. est.)	Mil. lb.	167,559	165,497	169,758	15,118	14,312	14,202	14,130
Milk prices:								
All milk	Dol./cwt	12.40	15.05	12.11	12.10	11.50	11.10	11.30
Milk eligible for fluid use	Dol./cwt	12.44	15.09	12.12	12.10	11.50	11.10	11.30
Manufacturing grade milk	Dol./cwt	10.52	13.44	10.92	11.10	10.30	9.60	9.90
Class III (cheese milk) 3.5% fat	Dol./cwt	9.74	13.10	10.42	10.82	10.09	9.33	9.54
Class IV (butter-powder milk) 3.5% fat	Dol./cwt	11.83	13.76	10.81	10.57	10.52	10.45	10.41
Slaughter cow price, South St. Paul	Dol./cwt	40.08	44.78	40.09	43.05	41.13	39.55	39.06
Chicago Mercantile Exchange prices:								
Butter	Dol./lb.	1.1768	1.6630	1.1059	1.0590	1.0427	1.0302	0.9752
American cheese, 40-pound blocks	Dol./lb.	1.1316	1.4387	1.1822	1.2009	1.1299	1.0889	1.1575
American cheese, barrels	Dol./lb.	1.1084	1.4052	1.1438	1.1688	1.1051	1.0680	1.1252
Wholesale price:								
Nonfat dry milk, Central States	Dol./lb.	1.0160	1.0083	0.9308	0.9174	0.9213	0.9275	0.9323
Retail prices:								
Consumer Price Index	1982-84=100	172.1	177.1	179.9	179.8	179.9	180.1	180.7
All food	1982-84=100	167.8	173.1	176.2	175.8	175.8	176.0	176.0
Dairy products	1982-84=100	160.7	167.1	168.1	169.0	168.0	167.6	167.2
Fluid milk	Dec 1997=100	107.8	112.7	110.6	111.1	110.9	110.1	109.6
Other dairy products	Dec 1997=100	109.4	112.5	114.5	114.2	115.5	115.8	114.9
Dairy product output:								
Butter	Mil. lb.	1,256.0	1,231.8	1,355.1	125.5	95.8	94.4	88.9
American cheese	Mil. lb.	3,641.6	3,544.2	3,709.0	329.9	314.0	305.4	309.6
Other-than-American cheese	Mil. lb.	4,616.4	4,716.4	4,890.0	418.3	394.3	386.8	404.7
Frozen products 2/	Mil. gal.	1,304.9	1,300.3	1,280.1	120.7	123.4	124.7	116.6
All products (m.e.-fat)	Mil. lb.	104,844	102,648	109,037	9,876	9,084	9,064	8,943
Nonfat dry milk	Mil. lb.	1,451.8	1,413.8	1,569.0	163.4	153.0	129.1	117.9
Beginning stocks:								
Commercial butter	Mil. lb.	24.9	24.0	55.5	194.6	224.6	241.0	243.3
Commercial American cheese	Mil. lb.	458.0	521.1	448.3	513.0	535.4	547.9	572.8
Other cheese	Mil. lb.	163.3	185.2	210.9	252.1	252.9	248.9	260.2
Manufacturers' nonfat dry milk	Mil. lb.	150.9	146.3	124.5	164.1	169.7	177.8	152.4
All commercial (m.e.-fat)	Mil. lb.	6,143	6,839	7,041	11,005	11,888	12,361	12,746
All commercial (m.e.-skim)	Mil. lb.	8,047	8,801	8,085	9,632	9,946	10,154	10,243
All Government (m.e.-fat)	Mil. lb.	44	139	218	287	304	319	308
All Government (m.e.-skim)	Mil. lb.	1,566	6,028	9,070	10,895	11,572	12,402	13,011
Commercial disappearance:								
Butter	Mil. lb.	1,280.4	1,275.4	1,288.1	97.5	82.5	95.1	107.9
American cheese	Mil. lb.	3,595.3	3,681.7	3,730.3	313.6	317.8	293.8	322.5
Other-than-American cheese	Mil. lb.	4,959.7	5,058.9	5,252.3	451.1	425.2	410.1	459.1
Nonfat dry milk	Mil. lb.	771.0	946.4	775.8	45.8	59.6	73.3	114.7
All products:								
m.e.-fat	Mil. lb.	169,133	169,656	170,541	14,525	14,184	14,199	14,984
Milkfat	Mil. lb.	6,224	6,223	6,277	528	506	501	534
Skim solids	Mil. lb.	13,959	14,179	14,140	1,200	1,162	1,156	1,250
USDA net removals:								
Butter	Mil. lb.	8.9	0.0	0.0	0.0	0.0	0.0	0.0
Cheese	Mil. lb.	28.0	3.9	15.8	0.0	0.0	0.7	5.9
Nonfat dry milk	Mil. lb.	692.6	495.9	828.6	114.7	86.9	84.7	47.8
All products (m.e.-fat)	Mil. lb.	841	145	328	25	19	25	65
All products (m.e.-skim)	Mil. lb.	8,613	5,810	9,802	1,335	1,012	992	615
Imports:								
All products (m.e.-fat)	Mil. lb.	4,445	5,716	5,103	412	457	504	420
All products (m.e.-skim)	Mil. lb.	4,389	4,686	5,103	456	460	547	439
International market prices:								
Butter	$/metric ton	1,367	1,391	1,159	1,050	1,050	1,090	1,113
Nonfat dry milk	$/metric ton	1,896	2,019	1,303	1,250	1,200	1,200	1,150

1/ Some data series different than formerly published due to changes in availability.
2/ Hard ice cream, ice milk, and sherbet.
m.e.-fat (skim) = Milk equivalent, fat (skim solids)basis NA=Not available

U.S. dairy situation at a glance (continued)

Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03
11,648	11,991	11,657	12,290	12,548	11,588	12,969	12,645	12,983	12,366	12,350
7,781	7,789	7,792	7,801	7,807	7,810	7,811	7,798	7,783	7,775	7,766
1,497	1,539	1,496	1,575	1,607	1,484	1,660	1,622	1,668	1,590	1,590
13,459	13,870	13,479	14,206	14,526	13,410	15,003	14,614	14,999	14,282	14,221
11.60	12.10	11.90	11.90	11.70	11.40	11.00	11.00	11.10	11.10	11.80
11.60	12.10	11.90	11.90	11.80	11.40	11.00	11.10	11.10	11.10	11.80
10.40	11.30	10.70	10.70	10.50	10.30	9.80	9.90	10.10	10.20	11.40
9.92	10.72	9.84	9.74	9.78	9.66	9.11	9.41	9.71	9.75	11.78
10.22	10.50	10.58	10.49	10.07	9.81	9.79	9.73	9.74	9.76	9.95
38.59	37.68	36.63	37.16	38.63	40.22	42.31	42.68	46.59	45.75	48.88
0.9635	1.0315	1.0425	1.1198	1.0815	1.0405	1.0915	1.0906	1.0919	1.1142	1.1985
1.2041	1.1950	1.0891	1.1311	1.0929	1.0920	1.0817	1.1225	1.1421	1.1864	1.5123
1.1100	1.0970	1.0705	1.1055	1.1507	1.0430	1.0469	1.0902	1.1161	1.1562	1.4668
0.9468	0.9563	0.9578	0.9075	0.8562	0.8347	0.8375	0.8375	0.8375	0.8338	0.8419
181.0	181.3	181.3	180.9	181.7	183.1	184.2	183.8	183.5	183.7	183.9
176.4	176.5	176.8	177.3	177.5	178.3	178.6	178.4	178.8	179.6	179.7
166.3	166.5	167.1	167.3	166.4	167.2	167.1	165.8	165.4	163.9	164.7
109.1	109.4	109.6	109.9	109.9	109.0	108.5	109.0	108.7	108.0	108.3
114.4	113.1	113.7	114.9	112.9	114.0	114.6	114.9	115.2	113.1	115.2
92.8	102.6	103.9	127.6	141.4	128.4	126.3	122.7	114.7	89.9	NA
287.5	297.8	294.4	317.4	319.5	285.6	318.5	308.6	320.2	309.4	NA
396.4	434.3	431.1	429.7	398.2	367.9	416.9	412.8	422.0	404.6	NA
102.6	102.3	82.7	80.5	96.7	100.9	114.0	122.4	124.9	132.5	NA
8,478	8,804	8,433	9,092	9,422	8,729	9,535	9,535	9,666	9,078	NA
97.2	103.4	99.0	132.5	133.8	130.4	146.3	150.4	154.2	131.4	NA
227.0	207.2	162.8	134.6	157.3	202.3	237.5	247.8	265.5	289.0	290.6
565.0	512.0	500.5	473.6	493.1	511.9	537.9	528.4	528.1	536.0	546.0
236.1	241.0	219.0	223.0	236.8	247.3	230.2	240.5	246.3	252.5	250.0
109.5	84.7	79.4	85.8	103.0	111.6	116.2	136.7	154.1	159.0	155.5
12,150	11,243	9,958	9,113	9,891	11,124	12,013	12,225	12,670	13,310	13,443
9,444	8,660	8,216	8,047	8,578	8,971	9,126	9,365	9,641	9,848	9,906
335	333	343	314	268	299	308	355	432	441	521
14,187	14,259	14,010	13,439	12,212	12,124	12,527	13,029	13,606	13,876	14,353
114.4	149.0	134.6	109.8	98.4	92.9	112.9	104.4	89.3	87.0	NA
345.3	316.7	324.4	296.4	304.0	266.1	325.1	305.7	308.8	298.1	NA
423.9	490.5	467.1	455.6	410.0	411.5	438.8	438.5	447.5	436.0	NA
83.5	89.4	55.6	50.2	47.6	40.2	39.3	46.6	60.9	57.5	NA
14,658	15,467	14,645	13,747	13,597	12,685	14,902	14,289	14,441	14,274	NA
532	576	554	521	514	475	552	524	522	510	NA
1,209	1,254	1,186	1,145	1,181	1,085	1,219	1,178	1,213	1,166	NA
0.0	0.0	0.0	0.0	0.6	2.9	5.0	5.1	5.7	3.6	2.6
1.1	0.4	1.7	4.6	1.9	2.9	10.4	9.0	10.6	4.4	0.5
39.8	20.2	37.3	65.1	78.8	85.6	87.1	86.4	88.4	77.4	74.7
19	9	24	57	47	108	224	214	241	136	77
474	239	451	804	936	1,026	1,117	1,096	1,135	945	874
405	417	439	473	442	355	426	423	414	349	NA
440	441	461	442	323	360	447	393	397	330	NA
1,225	1,275	1,263	1,281	1,280	1,206	1,274	1,275	1,275	1,347	1,448
1,200	1,220	1,350	1,606	1,705	1,688	1,670	1,654	1,694	1,675	1,665

U. S. milk production and related data

Year and quarter	Milk cows	Milk per cow	Milk production	Corn-soybean meal mix 1/	Replacement cow price 2/
	thousands	pounds	mil. pounds	dol. per cwt	dollars
1998					
JAN-MAR	9,175	4,269	39,167	5.44	1,070
APR-JUN	9,167	4,447	40,767	4.90	1,110
JUL-SEP	9,145	4,211	38,513	4.29	1,120
OCT-DEC	9,128	4,262	38,901	4.13	1,180
Avg. or total	9,154	17,189	157,348	4.69	1,120
1999					
JAN-MAR	9,128	4,436	40,489	4.23	1,250
APR-JUN	9,155	4,590	42,021	4.15	1,240
JUL-SEP	9,171	4,336	39,766	3.84	1,280
OCT-DEC	9,171	4,410	40,440	3.93	1,380
Avg. or total	9,156	17,772	162,716	4.04	1,280
2000					
JAN-MAR	9,186	4,640	42,622	4.41	1,330
APR-JUN	9,212	4,688	43,185	4.59	1,340
JUL-SEP	9,221	4,458	41,108	3.81	1,350
OCT-DEC	9,203	4,416	40,644	4.36	1,350
Avg. or total	9,206	18,202	167,559	4.29	1,340
2001					
JAN-MAR	9,141	4,514	41,266	4.41	1,320
APR-JUN	9,112	4,688	42,720	4.15	1,390
JUL-SEP	9,096	4,459	40,563	4.40	1,590
OCT-DEC	9,106	4,497	40,948	4.23	1,700
Avg. or total	9,114	18,158	165,497	4.30	1,535
2002					
JAN-MAR	9,112	4,653	42,397	4.27	1,610
APR-JUN	9,149	4,811	44,015	4.33	1,710
JUL-SEP	9,153	4,566	41,791	5.09	1,670
OCT-DEC	9,148	4,543	41,555	4.89	1,420
Avg. or total	9,141	18,573	169,758	4.64	1,575
2003					
JAN-MAR	9,154	4,691	42,939	4.97	1,370
APR-JUN	9,116	4,815	43,895	5.15	1,300

1/ Value of farm corn and 48 percent soybean meal, Decatur, needed to produce 16-percent protein concentrate feed.

2/ During the first month of the quarter.

Commercial disappearance: Milk in all products, 2003

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Supply:													
Production	14,526	13,410	15,003	14,614	14,999	14,282							
Farm use	91	83	91	89	91	88							
Marketings	14,435	13,327	14,912	14,525	14,908	14,194							
Beginning commercial stocks	9,891	11,124	12,013	12,225	12,670	13,310							
Imports	442	355	426	423	414	349							
Total supply	24,768	24,806	27,351	27,173	27,992	27,853							
Utilization:													
Ending commercial stocks	11,124	12,013	12,225	12,670	13,310	13,443							
USDA net removals	47	108	224	214	241	136							
Commercial disappearance	13,597	12,685	14,902	14,289	14,441	14,274							
Percent change from a year ago	1.6	1.0	1.1	6.2	-0.6	0.6							
Cumulative disappearance	13,597	26,282	41,184	55,473	69,914	84,188							

	First quarter	Second quarter	Third quarter	Fourth quarter
	41,184	43,004		
Percent change from a year ago	1.2	2.0		

Commercial disappearance: Milkfat, 2003

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	548	503	557	536	543	511							
Farm use	3	3	3	3	3	3							
Marketings	544	500	553	533	540	508							
Beginning commercial stocks	364	408	441	449	465	488							
Imports	16	12	15	15	14	12							
Total supply	924	920	1,009	997	1,019	1,008							
Utilization:													
Ending commercial stocks	408	441	449	465	488	493							
USDA net removals	2	4	8	8	9	5							
Commercial disappearance	514	475	552	524	522	510							
Percent change from a year ago	1.5	0.6	0.2	5.9	-1.2	0.7							
Cumulative disappearance	514	989	1,541	2,065	2,587	3,097							
		First quarter			Second quarter			Third quarter			Fourth quarter		
		1,541			1,556								
Percent change from a year ago		0.7			1.8								

Commercial disappearance: Skim solids, 2003

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	1,273	1,162	1,305	1,270	1,302	1,232							
Farm use	8	7	8	8	8	8							
Marketings	1,265	1,155	1,297	1,262	1,294	1,224							
Beginning commercial stocks	739	771	784	804	828	846							
Imports	28	31	38	34	34	28							
Total supply	2,032	1,957	2,119	2,100	2,156	2,098							
Utilization:													
Ending commercial stocks	771	784	804	828	846	851							
USDA net removals	80	88	96	94	97	81							
Commercial disappearance	1,181	1,085	1,219	1,178	1,213	1,166							
Percent change from a year ago	0.4	4.7	1.0	1.7	1.1	0.4							
Cumulative disappearance	1,181	2,266	3,485	4,663	5,876	7,042							

	First quarter	Second quarter	Third quarter	Fourth quarter
	3,485	3,557		
Percent change from a year ago	1.9	1.0		

Commercial disappearance: Butter, 2003

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Supply:													
Production	141.4	128.4	126.3	122.7	114.7	89.9							
Beginning commercial stocks	157.3	202.3	237.5	247.8	265.5	289.0							
Imports	2.6	2.6	1.9	4.5	3.8	2.3							
Total supply	301.3	333.3	365.7	375.0	384.0	381.2							
Utilization:													
Ending commercial stocks	202.3	237.5	247.8	265.5	289.0	290.6							
USDA net removals	0.6	2.9	5.0	5.1	5.7	3.6							
Commercial disappearance	98.4	92.9	112.9	104.4	89.3	87.0							
Percent change from a year ago	-0.5	-5.5	-3.3	25.2	-8.4	5.5							
Cumulative disappearance	98.4	191.3	304.2	408.6	497.9	584.9							

	First quarter	Second quarter	Third quarter	Fourth quarter
	304.2	280.7		
Percent change from a year ago	-3.1	6.6		

Commercial disappearance: Nonfat dry milk, 2003

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	133.8	130.4	146.3	150.4	154.2	131.4							
Beginning commercial stocks	103.0	111.6	116.2	136.7	154.1	159.0							
Imports	1.2	0.0	0.6	0.0	0.0	0.0							
Total supply	238.0	242.0	263.1	287.1	308.3	290.4							
Utilization:													
Ending commercial stocks	111.6	116.2	136.7	154.1	159.0	155.5							
USDA net removals	78.8	85.6	87.1	86.4	88.4	77.4							
Commercial disappearance	47.6	40.2	39.3	46.6	60.9	57.5							
Percent change from a year ago	-28.3	77.1	-24.9	-25.2	33.0	-3.5							
Cumulative disappearance	47.6	87.8	127.1	173.7	234.6	292.1							

	First quarter	Second quarter	Third quarter	Fourth quarter
	127.1	165.0		
Percent change from a year ago	-10.1	-1.6		

Commercial disappearance: American cheese, 2003

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	319.5	285.6	318.5	308.6	320.2	309.4							
Beginning commercial stocks	493.1	511.9	537.9	528.4	528.1	536.0							
Imports	5.2	9.4	7.5	5.8	7.1	3.1							
Total supply	817.8	806.9	863.9	842.8	855.4	848.5							
Utilization:													
Ending commercial stocks	511.9	537.9	528.4	528.1	536.0	546.0							
USDA net removals	1.9	2.9	10.4	9.0	10.6	4.4							
Commercial disappearance	304.0	266.1	325.1	305.7	308.8	298.1							
Percent change from a year ago	-2.1	1.2	2.0	-0.6	-1.5	-6.2							
Cumulative disappearance	304.0	570.1	895.2	1,200.9	1,509.7	1,807.8							
	First quarter			Second quarter			Third quarter			Fourth quarter			
		895.2			912.6								
Percent change from a year ago		0.3			-2.8								

Commercial disappearance: Other-than-American cheese, 2003

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	398.2	367.9	416.9	412.8	422.0	404.6							
Beginning commercial stocks	236.8	247.3	230.2	240.5	246.3	252.5							
Imports	22.3	26.5	32.2	31.5	31.7	28.9							
Total supply	657.3	641.7	679.3	684.8	700.0	686.0							
Utilization:													
Ending commercial stocks	247.3	230.2	240.5	246.3	252.5	250.0							
USDA net removals													
Commercial disappearance	410.0	411.5	438.8	438.5	447.5	436.0							
Percent change from a year ago	3.1	0.8	-2.3	5.8	-0.8	2.5							
Cumulative disappearance	410.0	821.5	1260.3	1698.8	2146.3	2582.3							

	First quarter	Second quarter	Third quarter	Fourth quarter
	1260.3	1322.0		
Percent change from a year ago	0.4	2.4		

Nonfat dry milk: Government removals and stocks, 1990-2003

	January	February	March	April	May	June	July	August	September	October	November	December	Year
						thousand pounds							
Price support purchases 1/													
1990	2,936	-662	0	0	0	0	0	0	15,885	22,650	34,150	42,839	117,798
1991	55,403	44,241	42,531	48,379	28,842	4,676	-524	-985	-600	0	0	0	221,963
1992	3,685	948	0	120	0	0	0	3,410	1,200	0	0	0	9,363
1993	0	0	0	0	0	0	0	16,912	1,171	430	0	0	18,513
1994	0	0	0	0	10,634	23,258	15,976	268	194	0	0	5,313	55,643
1995	7,235	222	0	0	0	110	4,223	7,508	0	0	0	0	19,298
1996	0	0	0	0	0	0	0	0	0	0	0	0	0
1997	0	0	0	0	828	4,393	1,102	12,179	13,514	270	1,400	6,347	40,033
1998	14,276	10,674	10,929	13,964	26,719	22,080	14,319	1,162	0	103	0	0	114,226
1999	625	11,986	20,735	35,009	34,035	41,671	26,934	7,600	7,367	5,313	7,608	38,036	236,919
2000	41,013	46,695	61,487	61,191	71,902	51,431	32,448	41,004	31,856	42,804	38,185	38,057	558,073
2001	61,982	39,590	50,006	31,998	34,969	25,148	29,960	6,552	-348	5,168	34,247	35,272	354,544
2002	56,212	63,831	68,790	82,956	100,018	75,078	73,736	32,576	25,171	21,902	27,306	56,500	684,076
2003	64,072	72,883	78,356	79,304	81,643	60,894	58,194						
DEIP removals 2/													
1990	0	0	0	0	0	0	0	0	0	0	0	0	0
1991	0	0	262	0	0	4,738	33	3,646	4,125	8,907	11,448	14,422	47,581
1992	906	1,684	3,082	5,714	17,269	1,909	14,826	13,263	3,338	26,451	6,828	32,088	127,358
1993	36,120	35,016	39,760	16,770	25,049	18,413	22,718	3,847	12,952	11,049	44,068	20,659	286,421
1994	14,859	21,848	14,281	37,714	7,646	3,862	13,040	25,512	20,274	25,522	29,661	20,173	234,392
1995	22,303	45,614	46,584	45,285	44,767	22,761	19,898	18,612	17,981	29,006	7,604	7,092	327,507
1996	2,581	4,011	7,911	8,217	9,444	7,123	4,972	4,017	1,154	3,048	5,013	5,748	63,239
1997	9,174	14,353	17,347	19,991	20,848	28,317	22,061	22,923	21,208	24,631	31,916	25,191	257,960
1998	23,238	21,002	13,810	14,151	10,111	7,069	25,844	28,223	21,692	17,012	21,635	24,387	228,174
1999	22,744	23,894	16,572	13,866	19,812	28,038	28,114	28,705	32,005	28,116	31,049	30,745	303,660
2000	19,304	16,817	15,057	13,853	9,941	10,476	9,607	9,534	8,268	7,560	7,326	6,755	134,498
2001	8,590	11,327	16,875	16,537	16,242	9,649	9,269	8,315	7,859	11,016	16,473	9,161	141,314
2002	10,519	17,785	16,888	15,202	14,646	11,868	10,914	15,232	14,607	14,546	11,501	8,265	162,333
2003	14,767	12,760	8,700	7,064	6,744	16,533	16,467						
Unrestricted sales													
1990	0	0	0	0	0	0	0	0	0	0	0	0	0
1991	0	0	0	0	0	0	0	0	0	0	0	0	0
1992	0	0	0	0	0	0	0	0	0	0	0	0	0
1993	591	0	0	0	0	0	0	0	0	0	0	0	591
1994	0	0	0	0	0	0	0	0	0	0	0	0	0
1995	0	0	0	0	0	0	0	0	0	3,017	0	0	3,017
1996	125	0	0	0	5,876	0	0	0	0	0	0	0	6,001
1997	0	0	0	0	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	2,198	1,337	12,470	0	16,005
1999	0	0	0	0	0	0	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0	0	0	16,286	1,503	0	17,789
2003	0	0	0	0	0	0	0						

Nonfat dry milk: Government removals and stocks, 1990-2003 (cont.)

	January	February	March	April	May	June	July	August	September	October	November	December	Year
						thousand pounds							
Net removals 3/													
1990	2,936	-662	0	0	0	0	0	0	15,885	22,650	34,150	42,839	117,798
1991	55,403	44,241	42,793	48,379	28,842	9,414	-491	2,661	3,525	8,907	11,448	14,422	269,544
1992	4,591	2,632	3,082	5,834	17,269	1,909	14,826	16,673	4,538	26,451	6,828	32,088	136,721
1993	35,529	35,016	39,760	16,770	25,049	18,413	22,718	20,759	14,123	11,479	44,068	20,659	304,343
1994	14,859	21,848	14,281	37,714	18,280	27,120	29,016	25,780	20,468	25,522	29,661	25,486	290,035
1995	29,538	45,836	46,584	45,285	44,767	22,871	24,121	26,120	17,981	25,989	7,604	7,092	343,788
1996	2,456	4,011	7,911	8,217	3,568	7,123	4,972	4,017	1,154	3,048	5,013	5,748	57,238
1997	9,174	14,353	17,347	19,991	21,676	32,710	23,163	35,102	34,722	24,901	33,316	31,538	297,993
1998	37,514	31,676	24,739	28,115	36,830	29,149	40,163	29,385	19,494	15,778	9,165	24,387	326,395
1999	23,369	35,880	37,307	48,875	53,847	69,709	55,048	36,305	39,372	33,429	38,657	68,781	540,579
2000	60,317	63,512	76,544	75,044	81,843	61,907	42,055	50,538	40,124	50,364	45,511	44,812	692,571
2001	70,572	50,917	66,881	48,535	51,211	34,797	39,229	14,867	7,511	16,184	50,720	44,433	495,857
2002	66,731	81,616	85,678	98,158	114,664	86,946	84,650	47,808	39,778	20,162	37,304	65,125	828,620
2003	78,839	85,643	87,056	86,368	88,387	77,427	74,661						
Government stocks 4/													
1990	111	1,794	2,648	410	428	655	887	935	5,979	14,131	28,750	47,356	47,356
1991	82,333	111,615	166,884	202,626	254,400	275,320	279,892	268,776	253,902	238,090	188,983	153,788	153,788
1992	129,238	88,555	65,125	72,468	61,214	51,153	36,196	24,573	16,390	8,866	7,691	3,808	3,808
1993	2,098	1,051	1,323	1,186	452	332	194	940	5,097	9,322	11,130	9,695	9,695
1994	7,436	4,852	3,245	2,802	544	4,471	14,148	32,212	37,718	39,343	32,250	27,733	27,733
1995	26,103	27,960	27,924	27,412	25,857	22,243	21,497	19,454	19,115	20,391	15,620	14,378	14,378
1996	13,890	10,202	9,611	10,172	1,433	1,453	414	440	379	329	354	304	304
1997	290	188	251	211	176	93	3,258	5,494	7,977	14,348	21,490	21,538	21,538
1998	23,982	25,923	36,153	48,036	54,788	68,881	91,027	107,514	112,455	108,895	97,234	95,227	95,227
1999	92,542	82,302	83,641	85,653	88,116	114,498	140,616	170,713	146,761	133,112	138,070	133,620	133,620
2000	149,699	186,086	227,429	260,418	309,369	365,954	406,228	454,512	481,211	492,863	520,616	515,834	515,834
2001	562,927	588,585	667,622	731,338	747,304	779,234	803,064	820,609	815,070	784,978	758,990	775,700	775,700
2002	780,104	823,230	870,629	932,616	990,696	1,061,611	1,115,973	1,217,549	1,222,878	1,199,954	1,150,980	1,046,769	1,046,769
2003	1,035,733	1,071,060	1,110,713	1,154,186	1,177,037	1,212,414	1,216,762						

1/ Purchases will be negative if contract cancellations exceed new purchase contracts.
2/ Exports subsidized under the Dairy Export Incentive Program. Assumed removed from commercial supplies 1 month before shipment.
3/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales.
4/ End of period.

Butter: Government removals and stocks, 1990-2003 1/

	January	February	March	April	May	June	July	August	September	October	November	December	Year
						thousand pounds							
Price support purchases 2/													
1990	71,784	59,898	45,012	46,915	48,916	23,948	15,462	15,555	5,607	12,425	10,845	30,548	386,915
1991	77,455	68,601	52,046	70,437	62,418	23,084	11,482	456	420	3,721	10,796	33,763	414,679
1992	96,307	63,332	57,842	46,440	50,865	13,276	12,946	12,897	2,094	1,077	8,072	23,905	389,053
1993	72,330	62,167	45,206	29,092	45,090	29,925	10,927	-1,146	-1,233	0	0	13,994	306,352
1994	48,416	39,077	8,579	12,510	29,567	15,278	1,075	77	0	0	1,297	7,352	163,228
1995	16,164	1,154	154	0	0	0	0	0	0	0	0	0	17,472
1996	0	0	0	0	0	0	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	550	1,227	3,375	3,300	2,897	373	0						
DEIP removals 3/													
1990	0	0	0	0	0	7,000	7,000	0	0	0	0	0	14,000
1991	0	0	0	0	383	4,664	4,347	1,297	2,576	3,227	14,416	42	30,952
1992	0	176	128	152	4,143	13,341	3,786	4,292	6,794	13,008	4,366	442	50,628
1993	0	4,107	5,090	2,551	5,308	542	876	897	489	848	3,323	7,583	31,614
1994	1,050	6,144	7,465	3,115	17,112	4,398	6,969	5,761	5,577	8,446	15,791	13,258	95,086
1995	7,833	13,098	12,499	11,576	11,676	6,205	3,720	2,158	2,070	788	176	0	71,799
1996	0	0	0	0	0	0	0	0	0	0	0	70	70
1997	740	827	872	1,910	3,116	4,517	4,726	3,639	3,877	3,516	5,223	5,419	38,382
1998	3,311	1,526	745	403	326	0	0	0	0	0	0	0	6,311
1999	0	0	435	435	0	0	0	0	517	517	798	993	3,695
2000	2,007	2,640	1,642	872	798	657	242	0	0	0	0	0	8,858
2001	0	0	0	0	0	0	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	0	1,627	1,627	1,800	2,779	3,220	2,559						
Unrestricted sales													
1990	0	0	0	0	0	0	0	0	0	0	0	0	0
1991	0	0	0	0	0	0	0	0	1,543	1,224	0	0	2,767
1992	0	0	0	0	0	77	0	0	40	0	0	41	158
1993	0	808	311	0	0	38	1,608	5,673	23,605	3,503	13,571	1,009	50,126
1994	0	0	4,641	111	0	0	4,891	21,870	8,771	7,499	6,182	0	53,965
1995	0	11,000	42	0	0	0	0	295	148	0	0	0	11,485
1996	0	0	0	0	0	0	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	0						

Butter: Government removals and stocks, 1990-2003 (cont.) 1/

	January	February	March	April	May	June	July	August	September	October	November	December	Year
						thousand pounds							
Net removals 4/													
1990	71,784	59,898	45,012	46,915	48,916	30,948	22,462	15,555	5,607	12,425	10,845	30,548	400,915
1991	77,455	68,601	52,046	70,437	62,801	27,748	15,829	1,753	1,453	5,724	25,212	33,805	442,864
1992	96,307	63,508	57,970	46,592	55,008	26,540	16,732	17,189	8,848	14,085	12,438	24,306	439,523
1993	72,330	65,466	49,985	31,643	50,398	30,429	10,195	-5,922	-24,349	-2,655	-10,248	20,568	287,840
1994	49,466	45,221	11,403	15,514	46,679	19,676	3,153	-16,032	-3,194	947	10,906	20,610	204,349
1995	23,997	3,252	12,611	11,576	11,676	6,205	3,720	1,863	1,922	788	176	0	77,786
1996	0	0	0	0	0	0	0	0	0	0	0	70	70
1997	740	827	872	1,910	3,116	4,517	4,726	3,639	3,877	3,516	5,223	5,419	38,382
1998	3,311	1,526	745	403	326	0	0	0	0	0	0	0	6,311
1999	0	0	435	435	0	0	0	0	517	517	798	993	3,695
2000	2,007	2,640	1,642	872	798	657	242	0	0	0	0	0	8,858
2001	0	0	0	0	0	0	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	550	2,854	5,002	5,100	5,676	3,593	2,559						
Government stocks 5/													
1990	234,285	251,820	286,502	311,520	349,979	378,335	381,462	385,247	375,122	374,131	365,207	372,736	372,736
1991	402,257	449,573	492,602	549,362	577,186	594,035	589,381	580,689	553,826	534,627	520,495	510,546	510,546
1992	539,035	613,290	643,372	670,804	698,006	735,210	735,457	686,058	589,608	514,594	463,231	429,664	429,664
1993	472,955	487,045	521,785	568,950	576,730	606,763	539,979	492,196	408,978	327,885	267,624	229,206	229,206
1994	235,281	233,957	242,684	247,132	263,578	264,061	233,975	190,122	149,029	115,905	75,581	67,946	67,946
1995	66,213	63,732	52,784	46,711	38,507	33,076	21,375	16,118	8,075	5,228	4,344	2,797	2,797
1996	3,406	3,512	1,308	2,524	995	804	793	843	546	277	227	294	294
1997	161	347	364	466	1,259	644	661	563	499	392	364	306	306
1998	160	127	256	398	308	300	285	216	169	8	8	4	4
1999	247	281	181	67	257	257	334	258	214	391	313	223	223
2000	288	383	347	229	489	420	391	388	375	330	188	142	142
2001	338	279	717	623	653	829	815	1,065	331	344	341	436	436
2002	260	1,200	1,323	2,063	2,258	2,026	1,991	2,449	1,873	1,844	1,021	555	555
2003	349	747	773	837	822	1,377	1,072						

1/ Includes butter equivalent of butteroil where applicable.
2/ Purchases will be negative if contract cancellations exceed new purchase contracts.
3/ Exports subsidized under the Dairy Export Incentive Program. Assumed removed from commercial supplies 1 month before shipment.
4/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales.
5/ End of period.

Cheese: Government removals and stocks, 1990-2003 1/

	January	February	March	April	May	June	July	August	September	October	November	December	Year
						thousand pounds							
Price support purchases 2/													
1990	0	0	0	0	0	0	0	0	0	0	4,512	16,968	21,480
1991	15,476	18,029	13,035	15,095	8,180	7,135	-543	0	-700	0	0	0	75,707
1992	0	0	0	0	0	0	0	0	0	0	0	112	112
1993	1,078	2,529	1,728	-335	0	0	37	0	0	0	0	0	5,037
1994	0	0	0	0	0	0	0	0	0	0	0	0	0
1995	0	0	0	0	0	0	0	0	0	0	0	0	0
1996	0	0	0	0	0	0	0	0	0	0	0	0	0
1997	0	484	0	0	149	977	158	0	0	0	0	0	1,768
1998	0	0	0	0	0	0	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0	0	0	0	0	0	0
2000	0	396	1,465	1,824	3,105	-44	0	198	0	396	5,918	3,474	16,732
2001	862	464	-40	0	0	0	0	0	0	0	0	0	1,286
2002	0	0	0	0	0	0	684	5,724	945	277	1,148	4,086	12,864
2003	1,348	2,064	9,604	8,232	9,825	4,118	198						
DEIP removals 3/													
1990	0	0	0	0	0	0	0	0	0	0	0	0	0
1991	0	0	0	0	0	0	0	0	0	0	450	735	1,185
1992	6,984	774	734	2,205	0	0	0	661	225	148	2,436	119	14,286
1993	119	176	0	0	734	454	375	410	386	185	220	183	3,242
1994	141	181	101	101	110	212	181	203	1,721	1,808	1,858	293	6,910
1995	396	351	597	580	443	395	417	621	626	655	660	313	6,054
1996	239	211	444	443	446	521	512	441	280	333	369	355	4,594
1997	529	552	540	529	1,193	1,204	1,428	634	439	1,150	812	533	9,543
1998	651	675	627	679	584	570	678	754	699	626	710	910	8,163
1999	727	512	406	348	289	134	179	520	436	416	249	351	4,567
2000	361	297	343	407	1,448	1,899	2,052	1,288	872	780	780	768	11,295
2001	768	768	0	0	0	0	704	707	707	707	707	707	5,775
2002	707	707	0	0	0	0	0	167	167	167	525	525	2,965
2003	525	815	815	815	815	290	290						
Unrestricted sales													
1990	0	0	0	0	0	0	0	0	0	0	0	0	0
1991	0	0	0	0	0	0	0	0	0	0	0	0	0
1992	0	0	0	0	0	0	0	0	0	0	0	0	0
1993	0	0	0	0	0	0	0	0	0	0	0	0	0
1994	0	0	0	0	0	0	0	0	0	0	0	0	0
1995	0	0	0	0	0	0	0	0	0	0	0	0	0
1996	0	0	0	0	0	0	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	0	0	629	2,575	0	0	3,204
2002	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	0						

Cheese: Government removals and stocks, 1990-2003 (cont.) 1/

	January	February	March	April	May	June	July	August	September	October	November	December	Year
						thousand pounds							
Net removals 4/													
1990	0	0	0	0	0	0	0	0	0	0	4,512	16,968	21,480
1991	15,476	18,029	13,035	15,095	8,180	7,135	-543	0	-700	0	450	735	76,892
1992	6,984	774	734	2,205	0	0	0	661	225	148	2,436	231	14,398
1993	1,197	2,705	1,728	-335	734	454	412	410	386	185	220	183	8,279
1994	141	181	101	101	110	212	181	203	1,721	1,808	1,858	293	6,910
1995	396	351	597	580	443	395	417	621	626	655	660	313	6,054
1996	239	211	444	443	446	521	512	441	280	333	369	355	4,594
1997	529	1,036	540	529	1,342	2,181	1,586	634	439	1,150	812	533	11,311
1998	651	675	627	679	584	570	678	754	699	626	710	910	8,163
1999	727	512	406	348	289	134	179	520	436	416	249	351	4,567
2000	361	693	1,808	2,231	4,553	1,855	2,052	1,486	872	1,176	6,698	4,242	28,027
2001	1,630	1,232	-40	0	0	0	704	707	78	-1,868	707	707	3,857
2002	707	707	0	0	0	0	684	5,891	1,112	444	1,673	4,611	15,829
2003	1,873	2,879	10,419	9,047	10,640	4,408	488						
Government stocks 5/													
1990	5,441	4,924	4,299	2,638	2,603	2,546	3,587	4,567	3,695	1,616	2,581	8,219	8,219
1991	14,603	19,290	26,251	33,915	35,789	34,337	35,410	31,600	29,497	27,234	25,748	23,107	23,107
1992	21,261	20,052	21,660	21,260	20,041	18,150	15,373	13,682	8,963	6,511	12,685	16,528	16,528
1993	12,810	11,807	15,349	15,439	9,223	9,034	5,863	4,589	3,105	2,601	2,347	2,155	2,155
1994	1,678	1,661	1,413	1,186	796	645	666	849	1,262	1,281	884	912	912
1995	848	854	811	608	518	254	502	412	362	288	533	392	392
1996	144	218	187	213	234	206	275	460	446	429	375	271	271
1997	359	494	760	887	846	659	1,602	1,837	535	341	532	470	470
1998	476	618	481	756	630	473	1,051	1,044	967	844	498	552	552
1999	517	312	156	539	406	679	472	611	529	602	684	954	954
2000	673	737	622	1,987	2,173	3,346	3,926	2,695	1,897	1,448	1,594	2,280	2,280
2001	5,232	7,718	8,943	8,556	8,055	8,064	8,102	8,019	6,396	4,050	3,341	4,027	4,027
2002	4,123	4,037	3,901	3,910	3,932	4,462	1,985	1,371	2,329	4,104	4,016	2,687	2,687
2003	6,710	5,866	9,934	17,199	17,643	24,198	20,052						

1/ Includes process.
2/ Purchases will be negative if contract cancellations exceed new purchase contracts.
3/ Exports subsidized under the Dairy Export Incentive Program. Assumed removed from commercial supplies 1 month before shipment.
4/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales.
5/ End of period.

Milk equivalent (milkfat basis): Government removals and stocks, 1990-2003

	January	February	March	April	May	June	July	August	September	October	November	December	Year
						million pounds							
Net removals 1/													
1990	1,566	1,306	981	1,023	1,066	675	490	339	126	276	286	832	8,964
1991	1,844	1,672	1,264	1,685	1,451	674	340	39	26	127	557	744	10,426
1992	2,165	1,392	1,272	1,052	1,232	606	402	393	197	322	341	557	9,932
1993	1,098	999	262	361	1,039	455	96	-318	-23	67	281	486	4,804
1994	590	126	328	296	293	160	104	64	64	38	20	7	2,091
1995	590	126	330	296	293	160	104	77	64	38	20	7	2,105
1996	4	5	11	12	10	7	8	7	4	4	5	10	87
1997	27	37	33	53	89	130	126	101	103	102	142	147	1,090
1998	108	62	40	26	24	13	16	14	15	14	14	21	367
1999	21	23	32	31	21	23	20	20	30	27	40	55	343
2000	88	99	86	78	107	78	55	46	38	34	84	49	842
2001	31	23	14	11	11	8	15	10	2	-14	18	16	145
2002	21	24	19	22	25	19	25	65	19	9	24	57	328
2003	47	108	224	214	241	136	77						
Government stocks 2/													
1990	5,162	5,541	6,291	6,820	7,658	8,275	8,352	8,443	8,215	8,176	7,993	8,213	8,213
1991	8,924	10,005	11,020	12,336	12,971	13,330	13,240	13,014	12,405	11,963	11,629	11,379	11,379
1992	11,978	13,578	14,240	14,836	15,415	16,208	16,187	15,092	12,945	11,286	10,223	9,526	9,526
1993	10,434	10,731	11,521	12,550	12,660	13,314	11,828	10,775	8,947	7,175	5,860	5,020	5,020
1994	5,148	5,118	5,305	5,401	5,757	5,766	5,113	4,162	3,271	2,549	1,664	1,497	1,497
1995	1,458	1,405	1,166	1,031	851	729	477	361	184	122	105	69	69
1996	80	82	34	60	25	21	21	24	17	11	9	10	10
1997	8	13	17	20	37	21	31	32	19	16	19	18	18
1998	15	16	20	28	26	27	38	40	40	34	28	28	28
1999	32	28	25	27	31	39	44	50	43	44	44	44	44
2000	47	57	64	82	100	121	135	134	133	130	134	139	139
2001	181	208	246	255	254	265	270	279	247	219	206	218	218
2002	216	245	257	287	304	319	308	335	333	343	314	268	268
2003	299	308	355	432	441	521	478						

1/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales. Includes DEIP exports of dry whole milk.

2/ End of period. Includes evaporated milk.

Milk equivalent (skim solids basis): Government removals and stocks, 1990-2003

	January	February	March	April	May	June	July	August	September	October	November	December	Year
						million pounds							
Net removals 1/													
1990	43	-1	5	6	6	4	3	2	186	265	443	670	1,605
1991	807	702	633	721	424	185	-9	31	34	104	141	176	3,955
1992	134	46	51	112	241	56	214	213	57	320	158	400	2,003
1993	198	270	180	457	238	341	362	328	286	343	388	335	3,724
1994	416	585	592	567	556	289	301	324	230	354	70	89	4,374
1995	416	585	592	567	556	289	301	324	230	354	70	89	4,373
1996	32	51	102	107	52	89	65	53	18	40	63	75	747
1997	117	185	213	240	271	408	289	425	417	312	412	392	3,681
1998	468	393	309	339	438	346	475	350	239	195	120	301	3,973
1999	290	435	451	581	637	820	649	436	470	399	466	821	6,455
2000	738	771	929	920	1,032	777	534	627	500	612	610	564	8,614
2001	838	605	778	565	596	405	464	180	88	170	597	524	5,810
2002	784	957	997	1,143	1,335	1,012	992	615	474	239	451	804	9,802
2003	936	1,026	1,117	1,095	1,135	945	874						
Government stocks 2/													
1990	85	103	111	72	77	82	94	104	153	227	406	679	679
1991	1,153	1,546	2,264	2,762	3,387	3,618	3,682	3,515	3,317	3,108	2,519	2,081	2,081
1992	1,781	1,304	1,046	1,131	993	863	664	506	354	235	276	265	265
1993	211	190	231	234	163	163	122	113	137	174	185	161	161
1994	132	102	81	75	47	91	201	408	471	486	394	341	341
1995	321	343	341	332	312	266	260	234	228	242	189	172	172
1996	165	122	115	121	20	20	9	11	10	9	9	7	7
1997	8	8	12	13	12	8	55	84	99	171	257	258	258
1998	286	310	427	568	646	808	1,072	1,264	1,321	1,278	1,138	1,115	1,115
1999	1,084	962	977	1,004	1,032	1,341	1,643	1,995	1,715	1,556	1,615	1,566	1,566
2000	1,750	2,174	2,654	3,052	3,624	4,294	4,768	5,318	5,621	5,752	6,077	6,028	6,028
2001	6,606	6,929	7,861	8,599	8,779	9,151	9,429	9,632	9,552	9,178	8,869	9,070	9,070
2002	9,122	9,623	10,174	10,895	11,572	12,402	13,011	14,187	14,259	14,010	13,439	12,212	12,212
2003	12,124	12,527	13,029	13,606	13,876	14,353	14,364						

1/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales. Includes DEIP exports of dry whole milk.

2/ End of period. Includes evaporated milk.

Poultry and egg costs and returns

Date	DECATUR SOYBEAN MEAL	CHICAGO No. 2 CORN	COST PER POUND LIVEWEIGHT BASIS Feed	COST PER POUND LIVEWEIGHT BASIS Total	COST PER POUND R.T.C. BASIS Production	COST PER POUND R.T.C. BASIS Total	12-CITY PRICE	NET RETURNS BEFORE INTEREST & OVERHEAD
	$ / ton	$ / bushel	--------------	---------------	cents/lb	-----------------------------		-------------------
BROILERS								
Apr-2002	161.60	2.03	14.45	24.80	32.63	46.73	53.47	6.74
May-2002	164.30	2.08	14.62	24.97	32.85	46.95	56.42	9.47
June-2002	158.00	2.15	14.60	24.95	32.82	46.92	58.44	11.52
July-2002	187.50	2.33	14.79	25.14	33.08	47.18	57.47	10.29
Aug-2002	186.25	2.63	14.79	25.14	33.08	47.18	55.72	8.54
Sept-2002	185.50	2.70	16.00	26.35	34.67	48.77	55.88	7.11
Oct-2002	168.20	2.58	16.69	27.04	35.58	49.68	52.97	3.29
Nov-2002	163.20	2.47	16.84	27.19	35.78	49.88	53.42	3.54
Dec-2002	163.60	2.41	16.10	26.45	34.81	48.91	54.74	5.83
Jan-2003	167.40	2.41	15.71	26.06	34.28	48.38	60.46	12.08
Feb-2003	176.80	2.43	15.57	25.92	34.11	48.21	60.49	12.28
Mar-2003	175.40	2.43	15.67	26.02	34.24	48.34	60.02	11.68
Apr-2003	182.10	2.48	15.96	26.31	34.62	48.72	57.78	9.06
May-2003	195.40	2.54	15.93	26.28	34.57	48.67	59.44	10.77
June-2003	191.90	2.49	16.22	26.57	34.96	49.06	61.56	12.50
July-2003	187.30	2.26	16.71	27.06	35.61	49.71	62.80	13.09
TURKEYS							3-REGION WHOLESALE PRICE	
Apr-2002	161.60	2.03	19.86	33.56	41.94	58.24	56.70	-1.54
May-2002	164.30	2.08	19.69	33.39	41.74	58.04	60.61	2.57
June-2002	158.00	2.15	20.00	33.70	42.13	58.43	62.43	4.00
July-2002	187.50	2.33	19.98	33.68	42.09	58.39	63.13	4.74
Aug-2002	186.25	2.63	20.30	34.00	42.50	58.80	62.88	4.08
Sept-2002	185.50	2.70	20.28	33.98	42.48	58.78	62.24	3.46
Oct-2002	168.20	2.58	22.41	36.11	45.13	61.43	62.51	1.08
Nov-2002	163.20	2.47	23.54	37.24	46.55	62.85	65.03	2.18
Dec-2002	163.60	2.41	23.79	37.49	46.86	63.16	63.40	0.24
Jan-2003	167.40	2.41	22.48	36.18	45.23	61.53	59.23	-2.30
Feb-2003	176.80	2.43	21.80	35.50	44.38	60.68	59.21	-1.47
Mar-2003	175.40	2.43	21.58	35.28	44.11	60.41	59.72	-0.68
Apr-2003	182.10	2.48	21.77	35.47	44.33	60.63	59.90	-0.74
May-2003	195.40	2.54	22.29	35.99	44.99	61.29	58.92	-2.37
June-2003	191.90	2.49	22.23	35.93	44.91	61.21	58.73	-2.48
July-2003	187.30	2.26	22.75	36.45	45.56	61.86	57.33	-4.53
EGGS			FEED COST	TOTAL Production		WHOLESALE TOTAL COST	WHOLESALE 12-METRO PRICE	
Apr-2002	161.60	2.03	24.60	42.80		63.30	60.38	-2.93
May-2002	164.30	2.08	24.52	42.72		63.22	55.79	-7.44
June-2002	158.00	2.15	24.94	43.14		63.64	68.79	5.15
July-2002	187.50	2.33	25.12	43.32		63.82	63.80	-0.02
Aug-2002	186.25	2.63	27.42	45.62		66.12	70.05	3.93
Sept-2002	185.50	2.70	29.21	47.41		67.91	65.11	-2.81
Oct-2002	168.20	2.58	29.61	47.81		68.31	66.18	-2.13
Nov-2002	163.20	2.47	28.17	46.37		66.87	85.75	18.87
Dec-2002	163.60	2.41	27.30	45.50		66.00	80.06	14.06
Jan-2003	167.40	2.41	26.94	45.14		65.64	67.85	2.21
Feb-2003	176.80	2.43	27.10	45.30		65.80	65.92	0.13
Mar-2003	175.40	2.43	27.60	45.80		66.30	70.81	4.51
Apr-2003	182.10	2.48	27.54	45.74		66.24	70.22	3.98
May-2003	195.40	2.54	28.12	46.32		66.82	58.47	-8.35
June-2003	191.90	2.49	29.03	47.23		67.73	68.29	0.57
July-2003	187.30	2.26	28.58	46.78		67.28	70.93	3.65

NOTE - These statistical series were developed to estimate the net returns for a specific basic product (whole broilers and turkeys, and large cartoned eggs). They are not intended as estimates of the net returns for all products produced by the broiler, turkey, or egg industries or by individual firms.